INTRODUCTION

In a world where technology and services are converging at a rapid rate, consumer (and client) needs are now dictating market forces more than ever before. Moreover, the distinction between professional consulting service firms, systems integration, and information technology (IT) service houses is blurring rapidly. Systems integrators wish to gain entry into the consulting space, while business consultants now understand the need to be able to deliver technical solutions also.

As such, the capability of service firms to deliver technical and business expertise is a necessity in the new economy world of virtual and extended communities and organizations. Examples of the trend toward a concentrated combination of strategic and IT delivery capability are divisions such as the Business Technologies Group (BTG) of McKinsey & Co., the merger of Cap Gemini and Ernst and Young, the recent discussions between PricewaterhouseCoopers and Hewlett-Packard, the split between Andersen Consulting and Arthur Andersen, and the move by KPMG.

PAYOFF IDEA

An ever-demanding consumer and business world is continuing to force consultants to react to market forces faster and with deeper insight than ever before. The underpinning of individual knowledge roles by enabling technology is changing the consulting industry into ever newer forms. Consultants will have to be even more aware of their own, as well as their firms’ role within such a business environment. The author provides a perspective on the role of consultants and consulting in a dynamic and ever-changing business world, where the consulting remit is being increasingly dictated by the convergence of mergers and acquisition activity, technology, globalization, and the opportunities presented by automated business process solutions for professional services.
Consulting to operate as an individual business outside of KPMG as a whole. Events such as these have been prompted partly by internal dynamics and partly by external forces (including market share, brand recognition, brand diversity, or regulatory pressures). In any case, few consulting organizations are alone in the evolution and revolution that is impacting the consulting world. Hence, consulting firms are now leveraging their strengths to mirror the dynamic client/buyer/seller community in which they operate. In addition, information and intellectual capital are beginning to be more powerful marketing instruments, as can be seen through the proliferation of E-business centers of excellence. What does this all mean for consulting organizations and the individual consultant? Each individual consultant needs to be aware of the wider context of converging, hybridized consulting services, and the ecosystem in which they live.

This article attempts to provide insight into those key factors that are dictating subtle changes in consulting, and how clients of such organizations can leverage these changes. It discusses the common and current understanding of professional services and consulting, and investigates the requirements that consultants and consulting firms must face and deliver in an E-business-dictated world. It then analyzes how client organizations can leverage and use the changing business services to good effect and concludes with comments.

EVIOLUTI0N AND REVOLUTION: THE CONSULTANT’S WORLD

Consultancy generally involves the interaction and transaction of knowledge and processes between two parties. One party, the client, may believe that help is needed and the other party, the consultant, assists by providing it. This splits into a broad number of steps, better known as the engagement life cycle:

1. Identification of a need/identification of uncertainty
2. Respecification of and agreement on a course of action
3. Intervention and analysis of potential solutions
4. Manifestation and realization of a solution
5. Resolution of outstanding issues
6. Maintenance of a business relationship

There are many different yet complementary models of consulting that have been proven to work in many organizations and across numerous industry sectors. Most practitioners and researchers argue that there are certain key roles and objectives that every consultant should aspire to promote, including:¹,²

- A common basis for the communication of knowledge in a nonesoteric, precise, and yet general manner
• An unbiased application of management, scientific, and sociological concepts (i.e., innovation, analysis, and empathy)
• An understanding of the perspectives impacting within an organization, its business, and its environment
• The ability to analyze, organize, and communicate historical causes and effects, and provide explanations and relationships to future opportunities and threats
• The ability to provide decisive arguments for the execution and implementation of requirements that are aligned to business needs and strategy

All the above points highlight that the role of the consultant is in constant flux. This usually revolves around encountering a number of socio-psychological roles: shaman, counselor, professional expert, creative individual, healer. These roles are, as Schuyt and Schuijt point out, part of the so-called magic of consultancy and are part of the reason why clients still engage them to assist with business issues.

THE CONSULTING WORLD
The mantra of management consulting has always been to provide client organizations with the insight of talented, knowledgeable individuals who have particular business acumen and expertise. This is no less true today; there is still a necessity for agreeing to engage with consultants. However, the business world is changing through the emergence of the digitally enabled new economy and, hence, the consulting world itself must also seek to define itself within this new context.

To provide a perspective on both consultants and the consulting services industry of today, it is useful to assess the services and capabilities that such businesses can provide. For example, Gartner Group states that there are two clear forms of consulting: business strategy and IT consulting. The former is typical management consulting, whereby assistance and insight are given to the client executive management board in improving business effectiveness through strategic as well as tactical and operational frameworks. The common deliverables in this case would encompass business improvement guidelines, a strategic framework for enabling change, and associated operational and tactical aspects (e.g., finance and human resources). It is important to note that, in this case, the use of IT to enable business improvement would be largely advisory, and does not necessarily involve technology design and implementation.

The latter form of consulting can be thought of as being traditional systems integration/application development. This involves assisting the client organization (usually at the CIO/CTO or financial director level) in assessing different technologies and aligning a technology strategy with the business strategy. The output of such an engagement would result in
the delivery of systems architecture, technical planning, development, and implementation of a solution.

This view of consulting engagements is highly simplified and, of course, many projects can routinely encompass aspects of both business strategy and IT implementation. However, the specific focus in this article is on analyzing how each of these approaches to client interaction is changing and reacting, in the new economy.

Exhibit 1 shows this sea of change that is occurring within consulting organizations, and how the delivery of their services is being formed. In the diagram, the “old” world of consulting consists of a stratum of capability layers, focused around pure strategy, systems integration, and independent, third-party product vendors (of hardware or software, generally).

In this operating model, consulting firms and client organizations are keenly aware of distinct areas of expertise that can be provided. Subsequently, there is little, if any, overlap between capabilities of, for example, a strategy house and a systems integrator. All firms in this historically focused model know where their strengths lie and are rightly proud to dominate in their own areas of niche expertise. The “new” world of consulting has skewed these layers of capability strata due to the transformation of internal and external business relationships by digital means. Here, the boundaries between capability, delivery, brand recognition, partnerships, and virtuality are beginning to blur. As such, niche expertise in, for example, strategy is being added to with technology delivery capability. In the case of pure-play Internet E-business consultancies, the adoption of new media organizational culture has made an impact within companies such as Razorfish, Sapient, and Scient. This is not only as a matter of course, but also, more importantly, as a matter of fact and a matter of necessity. This is the new world of the new economy.

Forrester Research has determined that service firms operating in such an environment can be characterized more by their limitations than by their benefits. They found that many clients are confused at the plethora of services available, both from a single firm and from multiple vendors. This is due to the fact that it has become more difficult to discern quality now that strategy houses, systems integrators, vendors, new media companies, and bespoke development houses are attempting to enter into each others’ markets and promote similar capabilities. Also, they noted that organizational size hinders many consulting firms’ view of emerging business opportunities. One does not necessarily have to be a big firm to be an entrant into the E-business services arena.

An additional area of contention for many firms is in the understanding and implementation of deep technical application and system knowledge. This is a criterion that is beginning to set many implementers apart, and is now becoming a benchmark for the E-consulting industry. Matching the project with the product and the people to make it happen is recognized as a long-lasting recipe for success. However, simply offering
EXHIBIT 1 — Old World, New World (Adapted from Bace, 1999)

**Old World**

- **Strategy-Centric**
  - Bain & Co.
  - A.T. Kearney

- **Systems Integrators**
  - PricewaterhouseCoopers
  - IBM
  - EDS
  - Cap Gemini
  - KPMG Consulting
  - Ernst & Young
  - Viant
  - Deloitte Consulting
  - Sapient
  - Lante
  - CSC
  - Logica
  - CMG
  - Razorfish
  - marchFirst
  - Proxicom
  - Metrius

- **Independent Vendors**
  - Microsoft
  - Cisco Systems
  - Sun Microsystems
  - Compaq
  - IBM
  - PeopleSoft
  - JD Edwards
  - SAP
  - CommerceOne
  - Oracle
  - Siebel
  - Broadvision
  - Ariba

**New World**

- **Business Vision-Centric**
  - Bain & Co.
  - Booz Allen Hamilton

- **Strategy Houses**
  - Boston Consulting Group
  - A.T. Kearney

- **Systems Integrators**
  - Proxicom
  - CMG
  - EDS
  - Sapient
  - KPMG Consulting
  - Logica
  - IBM
  - Metrius
  - McKinsey & Co. (BTG)
  - Ernst & Young
  - marchFirst
  - PricewaterhouseCoopers
  - Razorfish
  - Deloitte Consulting
  - Viant
  - Lante
  - SAP
  - Microsoft
  - Cap Gemini
  - CSC

- **Independent Vendors**
  - Oracle
  - CommerceOne
  - Siebel
  - Compaq
  - JD Edwards
  - Sun Microsystems
  - PeopleSoft
  - Ariba

- **Technology Infrastructure-Centric**
  - Cisco Systems
  - Broadvision
Point solutions to particular business issues can further confuse clients because they may fail to see the bigger picture. To this end, another related benchmark is the ability of a firm to deliver true end-to-end solutions. This means having the ability to provide assistance throughout the operating spectrum of the organization: business vision, change management, solutions design, implementation, and support.

Extending this further, there is a risk that the pressure to commit resources to deliver can outweigh the pressure to ensure quality, due to the perception of “Internet timescales.” Delivery of projects is now measured in days and weeks, as opposed to months, due to the power of Internet technologies.

This can be to the detriment of projects because Internet and E-business technologies can rapidly provide business benefit through the realization of a business vision without necessarily addressing the core business issues.

Hence, what is new in this shift toward the middle ground of systems integration capability and delivery is not simply the power of Internet technology itself. Rather, it is the needs of modern business to operate across a growing number of channels, internally and externally (via channels such as telephony, intranets, extranets, the Internet, consumer retail chains (B2C), and extended virtual supply chains (B2B)). Moreover, as both the latter and former markets have grown and begun to become recognized, there is a worldwide realization that enterprise business still requires sound operational and strategic stewardship. Electronic business is still business, but conducted using digital forms of communication and control.

Perhaps for this reason, the Big 5 consulting firms will be better placed to deliver growing technical competencies in the E-consulting world because they can add value to purely technical engagements by bringing their traditional business management skills to bear. However, in further evolving their current capabilities, such firms will have to realize and address their shortcomings, due to the heightened visibility and accountability that clients in the new economy now insist upon. To this end, the use of strategic alliances and partnerships provide knowledge and business credibility. Via a physical dimension of business commitment, deep collaboration and investment can be realized as a key to mutual success, as can be seen from strategic alliances such as those between Cisco Systems and KPMG Consulting, and between SAP and Commerce One.

**THE DIGITAL NEW ECONOMY: DOT.COMS**

Given that consultants and the firms they work for are changing with respect to their environment, what type of clients are they interacting with in the new economy? *Exhibit 2* provides some common issues that often
confront clients as they progress from “bricks and mortar” to “clicks and mortar.”

Internet businesses that are beginning to operate in the new economy can be largely categorized along the lines of those given in Exhibit 3. This defines classes of Web venture and organization that are commonly encountered (and flavors thereof).

It should be noted that Exhibit 2 is not a prescriptive list by any means, but simply shows the range of business types and issues that are commonly encountered in E-business consulting. In terms of revenue generation, the existence of a real-world business relationship with suppliers, alliance partners, or customers is once again fundamental. It should always be noted that E-business is simply business that is enabled and transacted in large part through an electronic communications medium. Processes, resources, and organizational infrastructures that are readily found in non-Web-enabled enterprises are replicated in some way in E-business ventures also. A key differentiator of such organizations is in understanding the importance of customer management and supply chain logistics; in short, closing the loop on the customer experience through the integration of business systems, logic, and technology.

**EXHIBIT 2 — Typical E-Business Issues (Unranked)**

- Internet security
- Internet business timescales and availability: 24x7 availability, 99.999 percent reliability, operational scalability, Internet dog years (weeks and months)
- Executing the source/deliver cycle through digital information to enable delivery of physical goods
- Managing and planning revenue and costs against efficiencies across multiple operating channels (phone, fax, Internet, extranet, mobile Internet)
- Accessibility and speed of the public Internet
- Integration of disparate information and processes within and across enterprises
- Leveraging business intelligence (data warehousing, consumer buying behaviors, search agent technologies)
- Recognition of the existence of virtual trading organizations at the boundaries of physical business relationships (the buyer, the seller, and the marketplace)
- Creation of in-depth relationships among clients, partners, buyers, sellers, and service providers
- Generation of an entrepreneurial- and innovation-based business spirit

Clearly, to deliver services to organizations operating in the new economy, management and IT consulting firms must deal with a wide range of environmental issues. As discussed in the previous section, the immediate issues an organization must face concern how the role of the consultant has changed (if at all), and the services market in which consulting firms are now operating. Commentators and analysts have long argued that such a view of business has become natural, through the desire for
living virtual communities — be they consumer markets, trading marketplaces, or extended supply chains. Hence, Exhibit 4 shows the basis of four key pressures facing those firms that are engaged in E-business consulting in this type of ecosystem.

These perspectives are: internal culture, global markets, sociology, and technology. To traverse such a landscape as shown in Exhibit 4, consulting firms operating in their own ecosystems must exhibit characteristics such as those in Exhibit 5.

Putting the aspects in Exhibit 4 in the context of the typical consulting services organization, one can arrange a capability pyramid as shown in Exhibit 6. This shows that to survive and provide services to clients in the new economy, business, life cycle, and team management will remain the cornerstones of many consulting services. For example, understanding the nature of dynamic personnel deployment is a key aspect of all consulting engagements. Knowing when and how to deploy consultants into a project is a more visible task than ever because clients are more
discerning about the quality of technical as well as analytical business skills. Consulting organizations must themselves strive to include business process improvements through assessing the interrelationships between operational, tactical, and strategic goals.

This can only be achieved through communication and dialogue of a set of shared values, knowledge, and recognition of the firms' strengths. In addition, there is always an important role for robust, provable, and implementable methodologies — both within the firm and out at the client. Finally, the new economy is forcing competitive organizations to le-

EXHIBIT 5 — Characteristics of E-Business PSOs

- **Fluidity**: the ability to tactically deploy consulting (SWAT) teams and also leverage support from collaborative strategic alliances
- **Capability**: visibility and accountability of metrics across knowledge, skills, and business performance
- **Reactiveness**: the ability to actively address the internal and external effects of people (skills, leadership, and ownership), projects (scalability and globalization), and products (scalability)
- **Knowledge**: the implementation of internal knowledge structures and knowledge-capturing processes
verage the efficiency of small, focused SWAT teams to identify consulting opportunities.

By using such teams at an early stage in the engagement cycle, it becomes easier to amplify, develop, and concentrate the core skills required in the business world. However, the sea change in the consultant's environment is influencing many professional service firms to evaluate the manner in which they operate. Competition from pure-play E-business service providers and spin-offs from established organizations have meant that traditional consulting service market differentiators are rapidly warping and blurring the market. The next two sections examine these issues, both from the perspective of the operating organization as well as the individual consultant.

**Professional Services Automation: A Driver for Change**

Professional services organizations (PSOs) have clearly been leading the services revolution for well over the past few decades. As such, it has become increasingly apparent that PSOs must create and maintain their own services supply chain in order to bring their services and concepts to market. The traditional approaches to project program management, resource management, business development, and financial management have largely been based on decentralized and inconsistent meth-
A clear example of this is the proliferation of spreadsheets and simple project planning software, which many PSOs still use on a day-to-day basis to track and control their engagements (e.g., Microsoft Excel and Microsoft Project). While on the one hand PSOs espouse the notion of integrated back-office business systems to their clients, they are sadly lacking in implementing such modular infrastructures themselves. A key requirement for PSOs, of whatever type, is to solve what can be described as a “five-way match” problem: client prospects, business development (go-to-market strategy), recruitment, engagement management, and skills resourcing. An answer to this dilemma is the emerging concept of professional services automation (PSA).

PSA attempts to provide automated PSO business processes through addressing the five key areas noted above. Many analysts predict that this enabling back-office infrastructure will turn the industry around, much like implementations of core ERP has done for many multinationals. The number of vendors is steadily growing, and analysts predict that the PSA market will grow by 49 percent from its current position and reach a net market value of approximately $3 billion by 2004.\(^\text{12}\)

**Identity and Context for the Practicing Consultant**

But what of the individual consultant, working in a consulting organization, which now not only covers strategy but also includes technology delivery backed by strong business solutions partners? His or her role will ultimately not change much because the art of consulting is, as previously noted, a truly human affair. The only difference now is that the context and the magnitude of change in the business world is so great as to induce a certain degree of uncertainty into his or her practice.

The consultant is still very much the shaman, interpreter, and investigator,\(^{2,13}\) but now perhaps also realizes the impact of a global economy on a personal scale. Hence, there are some subtle, although key changes that need to be addressed:

- **Each consultant is individual.** Change agents must now learn to change, and have an entrepreneurial spirit and an understanding of the wider strategic picture, even when dealing with pure systems integration projects.
- **Suits to boots.** A change in organization culture is becoming inevitable (including relaxed, dress-down business attire and working environment, and in-house cafes and bars) in order to increase productivity and creativity, and enhance individualism.
- **“How I know what I know.”** Knowledge management is now a fact of life, and knowledge management processes are continuing to drive the internal organization to practice what it preaches. This re-affirms the power of the consultant as an individual, multidimen-
sional change agent (listener, thinker, implementer, oracle, mentor, counselor).

- **Creativity fuels diversity in a vibrant business ecosystem.** Many types of consulting firms now exist (see Exhibit 7), and the business of E-business is now well understood to be about channel management and highly function-rich, extended, supply chain enterprises.\(^\text{14}\)

- **Consultancy is an innovation engine.** A consulting business will only be as strong as the environment in which it exists and operates. The convergence of innovative concepts with technology that delivers is a compelling mix. This is the reason for the fight for the middle ground in the global services systems integration arena, and the emergence of the purely IT, as opposed to the business, consultant.\(^\text{15}\)

- **Disaggregated branding via new businesses.** All customers are not the same, so why should the way in which one interacts with them be?

- “**No one is safe.**” Growth, diversity, and organizational “pain” from a changing set of values is an inevitable part of modern business and needs to involve everyone from board level downward.\(^\text{12,16,17}\)

### Leveraging PSO Services

Given the discussion of how many PSOs and consultants need to operate in a changing, market-driven global economy, it is now useful to discuss
what prospective clients of such organizations should look to leverage. It is important to contrast those factors that have generally been associated with typical PSO selection criteria, with new-economy differentiators. Some of these are listed in Exhibit 8. What is consistent among these factors is that there is a strong human element still present. In short, people will still buy people, and not necessarily high-level concepts or technology solutions. The characteristics of old- and new-economy PSO firms given in Exhibit 8 belie a much deeper story that goes to the heart of the difference between classical management consulting and IT consulting.

IT consulting (ITC) can be said to be regarded as a “weak cousin” of the management consulting art in some way, in that management consulting (MC) has been the keeper of the intellectual high ground with respect to providing the notion of professional services and advice. Over the years, MC and ITC skill sets have converged to represent the definition of what professional services should be. However, as everyone knows, both MC and ITC have two very different operating business models and objectives. MC is based heavily on cultivating lasting board-level relationships with client organizations, whereby the visiting PSO firm becomes almost one with the organization. The reader should look no further than the excellent example of James R. McKinsey himself, and how the relationship with the department store Marshall Field’s led to his success. The ITC business model, on the other hand, has been typically concerned with delivering product first, as opposed to service (in the form of systems integration expertise, computer hardware and soft-

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<th>Old Economy</th>
<th>New Economy</th>
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<td>Brand name and stature (“Big 5” or bespoke sector consultancy?)</td>
<td>Alliance co-delivery on engagements</td>
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<tr>
<td>Experienced specialisms/sector experience</td>
<td>Strong internal knowledge culture</td>
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<tr>
<td>Technical/IT specialisms (enterprise solutions, SME solutions, front-office or back-office centric)</td>
<td>Employing their own advice</td>
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<td>Prior references from satisfied customers</td>
<td>Competitive pricing (cost and margins are getting tighter)</td>
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<td>Speed of RFP proposals versus proposal quality</td>
<td>Gap/fit to the exact purpose of engagement (normalize old-economy core competencies with new-economy delivery approaches)</td>
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<td>Market intelligence</td>
<td>Ability to offer tailorable services, not just fixed rate or rigid time-and-materials structures</td>
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<td>Personalities and commitment</td>
<td>Tools for professional consulting (knowledge management, program management, or integrated PSA infrastructure)</td>
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ware). However, in the last 15 years or so, PSO firms such as the Big 5 of Accenture (formerly Andersen Consulting), PricewaterhouseCoopers, KPMG Consulting, Cap Gemini Ernst & Young, and Deloitte Consulting, have not been able to stay away from the lure of IT-focused revenues. Furthermore, they and many other PSO firms have had numerous dalliances with the marketing and selling of technical services as part of their “mainstream” management consulting service.

In witnessing the cycle of favor and disfavor with all things IT during this time period, there is a definite cyclical trend to the rapid adoption and hasty retreat from technology concepts that have gone sour in the hands of client organizations (and, more recently, venture capitalist firms and the end consumer). In the 1980s there was the growth toward the use of personal computer architectures, away from the mainframe systems and centralized organizations of the previous decade. The 1990s saw a spate of technological revolutions that took many guises: application development languages (C++, Java, HTML, WML, XML); the rise and fall of resource planning suites (MRP, MRPII, ERP, ERPII); the emergence of customer relationship and contact management systems (CRM and CM); and the spectacular boom and bust of novel Internet business solutions (E-commerce B2C, B2B, M-Commerce, collaborative knowledge management, etc).

In all of this, management consulting firms, or those organizations wishing to be known as such, have continually made attempts to leverage IT and ITC services, leading to the cyclical behavior mentioned previously. This has meant that there has rightly been a perception that consulting fads are as fickle as any fashion known in popular culture terms. What has been seen, in the recent boom-and-bust era of Internet consultancies is that, once again, MC and ITC approaches are difficult to combine and leverage because of both the stability and volatility of their operating business models. Stability is in the sense of the classical consulting approach to professional services advice, and volatility in the sense of a consistent development and flux of technologies and creative solutions required from the IT sector. This has led to a diminishment of classical MC skill sets and capabilities at the expense of the “new language” of technology.6,19,20

However, it appears that at the time of writing, we may be at the end of a cycle of favor with IT, in terms of the slow demise of B2C and even B2B technology successes and failures. Therefore, it is the author’s contention that many consulting firms will seek to distance themselves from their IT delivery capabilities and concentrate on their core consulting skills as they did when the ERP market fell dramatically in the last quarter of 1999 (due to Year 2000 effects). This shift away from technology will not be sudden or immediately apparent at first, but will be subtle, in that although Internet business advice will still be given and promoted, the primary point of contact with the PSO firm will be via tried and trusted
consultancy strengths (change management and organizational learning approaches, for example). Hence, client firms seeking to leverage professional services as we move into the twenty-first century should bear the following points in mind:

1. Personality of the consultants is still a powerful deciding factor: People buy people, and, more importantly, organizations will buy advice they can ultimately see visible returns on.

2. A matching of the PSO firm’s cultural and intellectual thinking to one’s own organization can help to alleviate differences of opinion, thinking, and approach (creative or assertive; challenging or reflective; technology focus or business value driver focus).

3. Wherever possible, attempt to assess the merits of best-of-breed/best-in-class advice from similar PSO firms.

4. Attempt to gain contractual agreement on fixed-cost components of deliverable service, and any ongoing client relationship fees (such as on-boarding charges for new consultants and partner retention fees).

5. Rigorously check and investigate historical successes and failures with past implementation projects. Although this is an obvious piece of advice to impart, the simple guideline for taking references for PSO firms is not to take “Yes, they worked well for us” as an answer at face value.

6. Mandate your own critical path project and program management guidelines (if you have them) onto any incumbent advisory firm doing work for your organization. This instills a sense of organizational control and supervision, so that both parties are wholly responsible for a project where external advice and expertise are brought in.

7. Look at the stability of the PSO firm in terms of entry into new markets and stabilization of captive markets, if possible. This could be accomplished through analyst reports of systems integrators, for example, as well as company financial reports.

8. Appoint a business practices “czar” as well as an IT “czar” who can work alongside the PSO consultants, acting as internal organization quality assurance specialists and auditors. However, this may not be an easy task, due to resource restrictions on the number of people available with the right expertise and authority to mediate between the PSO firm and the client organization.

CONCLUSIONS
The consulting process involves the selling of expertise, knowledge, and professionalism. The increasing sophistication of client needs in a world of superconverging services and technology means that market forces are now dictating the consultant’s role more than ever before (witness the continuing impact of electronic commerce, mobile computing, customer/personalized services). Moreover, the distinctions between pro-
fessional consulting service firms and technical delivery houses is rapidly blurring. Systems integrators wish to gain entry into the consulting space, while business consultants now understand the need to be able to deliver technical solutions themselves. The rapidity and strength of these changes are also supplanted by uncertainty and socioeconomic forces dependent upon consumer market forces, globalization, and political issues.

Professional service organizations have gradually been coming to terms with the need to provide the capability to deliver both strong technical and business expertise outside their traditional skill boundaries. Although many firms may use the adage, “What works well will always work best,” consulting firms should also leverage their strengths in such a way as to mirror the world they live in. Clients and customers insist on corporations becoming more accessible, accountable, and sophisticated, as well as delivering and providing the best and most effective business solutions to them.

This article has discussed the need for a realization of the changing global consulting services environment in terms of rapidly converging opportunities and threats that are beginning to affect all types of PSOs. Consultants themselves are not immune to the impact of these advances and should remain well prepared, as they usually are, to leverage opportunities for business entry and growth wherever possible. As such, each individual consultant needs to understand the wider context of converging and hybridized consulting services. It is vitally important for consultants to adopt a continuous and vigorous appraisal of factors of change in this arena, and seek to highlight critical success factors that can help leverage their own expertise. For some, this may require an even higher “state of consciousness” in how they utilize their knowledge, skills, and emotional intelligence (such as proposed by Schuyt and Schuijt\(^\text{15}\)).

An important point is that the consulting process that has generally been led by selling knowledge and professional advice is being turned on its head. Many definitions of what consultants are and are not are being mixed into a volatile hybrid, from which individual PSO professionals must learn to choose.\(^{2,15}\)

PSOs themselves realize that the business arenas with which they are in regular contact require that they, as businesses themselves, must also be adaptable and capable of managing themselves effectively. This is clearly seen through the emergence of Professional Services Automation software and business process solutions that seek to automate and integrate PSO activities.

In the final section of the article, the author discussed how, given the points raised earlier, client organizations may be able to leverage the capabilities of PSO firms going forward. It was noted that the cyclic nature of consulting fads and fashions, both in terms of management practices and technology solutions, will always continue. Client organizations of
PSO firms should therefore take note that with the current divergence away from so-called “pure-play” Internet/new-economy PSO consultancies, there is the potential for a return to classical management consulting approaches. Therefore, for client organizations to fully realize the benefits of their relationships with such advisory firms, they should exercise a greater level of control and knowledge over projects that require external, expert assistance.

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References

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