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FORTÉ INDUSTRY SNAPSHOT:

CONSULTING CONFIDENTIAL



CONSULTING



Consulting is a dynamic industry with tremendous opportunities for women with intellectual curiosity, a strategic mindset, and strong communication, analytical and leadership skills. These characteristics are possessed not only by business majors but by women from all disciplines - including STEM and Liberal Arts.

The goal of this primer is to demystify the consulting industry, provide a roadmap to potential career paths, and explain some of the consulting industry jargon. This overview won't cover all the career opportunities available at consulting firms or the recruiting process in its entirety, but it will provide a foundation from which you can continue to explore.

As you will find reading this overview, one of the wonderful things about working in the consulting industry is that it enables you to build a broad skill set of

critical thinking, communication and leadership skills that you can draw on throughout your career. For example, you might spend three years honing your skills at a consulting firm, take a break to obtain your MBA, from there move into a strategy or business operations position and finally progress into the C-suite. Or you can start as an analyst in a consulting firm and become an expert in a specific industry or functional group, then advance to the level of Partner as you increase your level of responsibility in the same firm.

ADVISOR FOR HIRE

WHAT IS CONSULTING?

Consulting can be defined as providing management advice within a strategic, organizational, or operational context. It is the practice of helping organizations to improve their performance by creating solutions to real world business situations or problems. The clients are Fortune 1000 companies like Coca-Cola and Microsoft, investors, governments and non-profits.

Consulting is an international industry with global revenues of around \$450 billion. It spans human resources, business advisory services, information technology, operations management, health care, education and many other fields. Workers in this field—consultants—provide expertise to organizations to help them maximize profits or effectiveness and keep them running smoothly. They are professional “problem-solvers for hire.”

There are four main types of consulting firms – and in many cases, firms straddle these categories.

STRATEGY

Strategy firms include McKinsey, Boston Consulting Group and Bain as well as AT Kearney, Oliver Wyman, LEK, Roland Berger and others. Historically these firms focused on helping their clients reach the right strategic answer to executive-level agenda items but were not involved in actually implementing the solution. However, these firms now have increasingly begun to also serve the implementation needs of their clients.

IMPLEMENTATION

These firms, like Accenture and Deloitte, have massive workforces that help large and mid-sized clients operationalize strategies to improve their businesses. Implementation firms have also begun to expand their reach and offer strategy and industry/functional- specific services to their clients by acquiring specialized firms (e.g., Accenture purchased Kurt Salmon, a retail consulting firm, and Deloitte acquired Monitor Group, a strategy firm). This category also includes the legacy auditing firms who have expanded into consulting services like PwC (which acquired Strategy&, formerly known as Booz & Co.), KPMG, and EY (which acquired Parthenon).

These first two categories of firms offer multiple industry practices and service lines at offices across the globe.

Consulting Makes the World Go Round

Consulting firms can offer information that helps a client make sense of its environment, provides an experienced viewpoint on a problem, gives insights that lead to success, and sketches a roadmap for a client to make required changes. Clients typically hire consulting firms for one of three primary reasons:

Functional expertise/diverse experience:

The expertise of consultants in key areas and/or their diverse experiences outside of the company enable them to offer efficient ways to resolve issues and help clients face mission-critical challenges.

Objective opinions: In many cases, consultants offer an independent, unbiased perspective on a major decision facing a client company. They can provide motivation to act based on recommendations or even give a rationale for an internally unpopular decision.

Extra Capacity: When clients have pressing problems and do not have existing teams/resources to solve them, consultants can offer on-demand resources. The consulting firm provides an influx of smart people to address the problem at hand. The consultants have the time to study the problem and identify solutions.

FUNCTIONALLY-FOCUSED

These firms focus on a specific function or handful of functions such as human resources, marketing, operations, technology, or finance. Examples include firms like FTI and Navigant, which historically focused on financial and litigation consulting. Others focus on different functional areas such as: technology (Cognizant and EY), corporate litigation services (Cornerstone Research, Analysis Group, and Brattle Group) or design thinking (IDEO and Frog Design).

INDUSTRY-FOCUSED

These firms bring specific industry expertise to their clients, and many focus on large global industries such as healthcare, retail, or energy. Firms like The Chartis Group (healthcare), Booz Allen Hamilton (government), Alix Partners (turnaround), and Bridgespan (social impact) are examples of this class of consulting firm.

Within all of these categories, the firms can also differ by: client service model, strength of practice areas, problem solving methodologies, office locations, corporate cultures, approach to staffing, size of project teams, number of projects completed at one time, management opportunities, exposure to senior staff, professional development opportunities, and alumni networks. It is important to investigate and find the right firm fit for you.

INTERNAL CONSULTING

In addition to consulting firms who serve clients, some corporations have permanent internal consulting units. Firms with internal strategy groups include financial services institutions, technology and media companies, retailers, healthcare firms, consumer products, some large private equity firms, and others.

Corporations create these internal consulting divisions to reduce the costs associated with hiring an external

firm, build internal expertise to serve their business units, and improve their internal operations. The work of internal consulting requires skills similar to those required for external consulting and can be done under different functional umbrellas (e.g., Strategic Planning, Special Projects, Business Development, Business Operations, Strategy, etc.) depending on the structure of the corporation. Typically, but not always, internal consulting groups are seeking candidates who have had experience at consulting firms.

Many women start their careers at a consulting firm and then transition into internal consulting to continue doing stimulating work while taking advantage of a better work/life balance (and less travel), or they transition into internal roles on the consulting firm side such as leading programming or support functions.

CONSULTING INDUSTRY LANDSCAPE & TRENDS

Consulting firms are constantly changing, adapting to disruptions in the marketplace and to client needs so they can drive continued revenue growth. A few recent trends include:

- strategy and implementation
- expertise building
- specialization

First, as mentioned earlier, we are observing a reduction in pure strategy and pure implementation firms.

Now, most of the strategy firms, such as McKinsey and BCG, are also offering implementation services, as clients are demanding a deeper effort to implement strategic recommendations. This enables them to be a “one-stop” shop for their clients and sell longer-term projects. On the flip side, the implementation firms are developing strategic expertise and/or are acquiring smaller strategy firms in order to offer these types of services to clients with whom they have had long-standing relationships.

The second trend is the need for consulting firms to build and prove their expertise in newly evolving areas such as the Internet of Things, cloud

computing, data analytics, back-of-office robotic process automation, artificial intelligence, cognitive computing, IT risk, and supply chain disruption. Firms are enhancing their focus on digital strategy and risk management departments, publishing research in these areas, and acquiring boutique consulting firms to meet these client needs.

Finally, many insiders believe that the future of consulting seems to lie in specialization. While most of the larger consulting firms still hire generalists, it is more common that they ask consultants to specialize earlier in their careers (often after two or three years at the company) or that they hire candidates with relevant experience directly within certain practice areas (e.g., BCG’s Gamma practice or Deloitte’s Human Capital practice). This helps the consulting firms offer specific insights and meet the client demand for consultants who possess prior knowledge in some specific area.

A DAY IN THE LIFE

WHAT IT'S LIKE BE A CONSULTANT

This guide focuses primarily on what it is like to work at a consulting firm versus in an internal strategy role.

While consultants are hired to solve different types of problems, the projects typically follow the cycle of pitching, research, analysis, reporting, and implementation.



IMPLEMENTATION

Set up a series of meetings and/or workshops to explain, tutor, guide, and assist the client in implementing the recommendations.

PITCHING

Write project proposals (using PowerPoint or Word) and assist in the presentation of the sales pitch to a prospective client. Explore the client's problem and how it might be addressed.

RESEARCH

Clarify the problem (separate the symptoms from the problem). Create and test hypotheses. Collect data from a variety of sources – lots of interviewing and surveying of key stakeholders and subject matter experts.

CONSULTING PROCESS AT A CONSULTING FIRM

REPORTING

Present recommendations to the client, usually in PowerPoint; typically done by a partner/principal accompanied by a small group of consultants.

ANALYZE

Build financial models in Excel or perform statistical analyses; organize, synthesize, and summarize your findings. Once you have identified patterns, bottlenecks, or other trends, you will share them and brainstorm with your project team to determine realistic and relevant final recommendations.

Consulting work is typically done at the client site, but can differ by firm and by type of project. For example, implementation work is almost always completed at the client site (travelling Sunday night or early Monday morning and returning home on Thursday and working in the consulting firm office on Friday). Strategy and due diligence work is done either at the client site or consultant's office, depending on the firm's philosophy and client need. The amount of direct client interaction you get can depends on the firm's philosophy and your personal performance; but keep in mind, implementation work tends to involve heavy client interaction.

In addition to the client work, some firms ask their consultants to take on practice development initiatives. These projects-- which could include contributing to white papers, assisting in proposals/bids, volunteering for community service, leading instructional courses, or participating in campus recruiting--give you the opportunity to add value to the firm as well as work on passion projects.

More specifics about the available roles at each level/title within the consulting firm will be explored more on page 17.

Types of Projects

Project types differ based on the type of consulting firm and the needs of the client. In many cases, the client’s business problems start off as unstructured and vague, and it is your job, as the consultant, to help create a structure for identifying and solving the problem.



STRATEGY PROJECTS aim to help a client’s senior executives understand the macro-level challenges facing their company or organization and often involve growth strategies, business diagnostics, and cost reductions. These projects tend to be shorter in nature (two weeks to three months). Here are some examples:

- recommending a new strategic direction for a growing wireless company
- studying why an online retailer is losing market share to a competitor and/or how to increase market share
- developing a strategy for a consumer products company to revive a 50-year-old brand and identify what existing products they should exit
- increasing the efficiency of customer response at a newly merged commercial bank
- positioning a snack manufacturer to enter the Japanese market, determining the types of snacks that are most wanted, and assessing the market’s willingness to pay for certain snacks
- determining whether a company should enter the Chinese or Brazilian market
- developing a broad snapshot to assess a company or business unit



IMPLEMENTATION PROJECTS are the operationalization of new strategies which can range across all types of consulting firms. These projects tend to be longer in nature (from four months to more than two years). Post-merger integration projects may include implementation work such as:

- working on an IT integration and implementation plan
- evaluating candidates for key positions, making hire/train/fire decisions, and developing revised compensation schemes for the combined entity



PROJECTS FOR CONSULTING FIRMS THAT SPECIALIZE IN SPECIFIC INDUSTRIES OR FUNCTIONS vary based on the industry or function. For example, financial consulting firms would advise on corporate finance, risk, insurance, and corporate restructuring. Here are some specific project examples:

- identifying and analyzing potential financial risks and helping clients control their risk exposures and plan for disaster scenarios
- helping an investment firm identify a strategy to reach a new target market
- evaluating and deciding on the optimal amount of liquidity for a private equity firm
- helping a Fortune 500 manufacturing company determine the expected financial impact of a new environmental regulation



IT CONSULTANTS help clients design and implement IT systems, develop better IT practices, train staff members, or provide strategic advice on social media/IT issues. Projects may include:

- assessing a client’s existing data-mining software, and providing advice on how to optimize and expand data collection and analysis
- helping an online retailer plan for future IT growth and increased capacity requirements
- determining how a major “big-box” retailer can use technology to improve its distribution network
- analyzing the potential benefits of wireless technology for a global shipping company
- creating and implementing a plan to digitize a hospital’s patient records



HUMAN RESOURCES AND STAFFING CONSULTING focuses on helping clients make the most of their investments in people through advising on personnel policies and diversity issues, analyzing staffing needs, or developing leadership training programs. Projects may include:

- creating job roles and descriptions for a company creating a new department
- blending the cultures of merged department-store chains by developing new or altering expectations
- building employee skill-sets through better and more efficient training programs
- developing a retention strategy for a company that has experienced a high rate of turnover
- reengineering a company’s retirement plan assets

Other types of projects include private equity or M&A due diligence. Consulting firms can offer broad industry insights, develop company profiles, assess the attractiveness of the target company relative to its peers, and share additional perspective on areas of concern before the firm taps a large amount of investor funding to purchase the company.

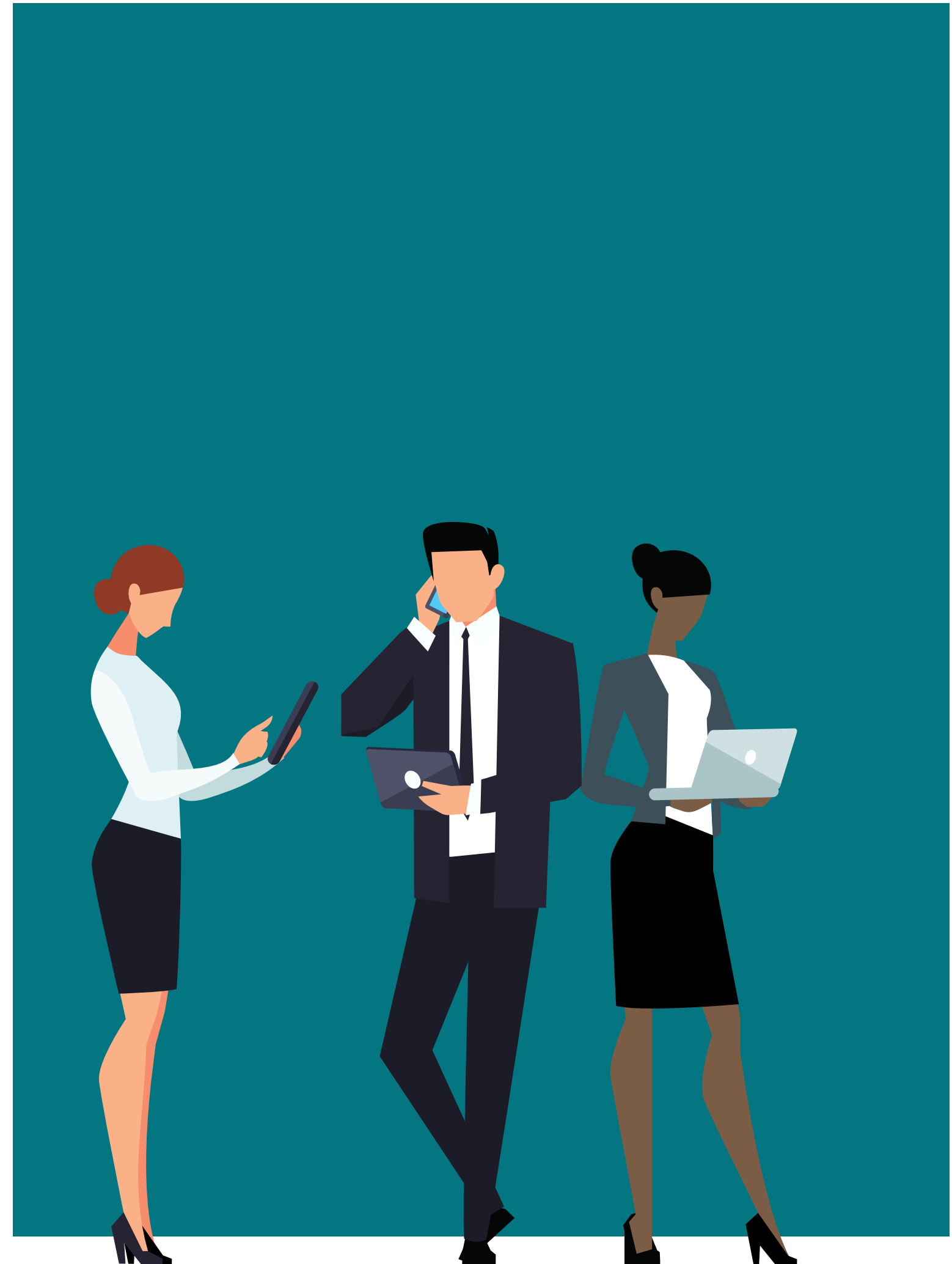
Team Structure & Staffing

Consulting work is done in teams – the size and structure of the team depends on the type of project, the project scope, the client needs, project cost structure, and the firm’s philosophy on problem solving. The teams could be as small as two people or more than 30 people and can be comprised of only consultants or include some client team members.

Given the constantly changing project/client assignments, it is important to understand the firm’s staffing process (how you get assigned to a project team). While this can differ by firm, by your level of seniority within the firm and your background, you need to consider areas for your development (skills to be improved) and your personal preferences (location, industry/function of client). You then communicate your priorities to your staffing manager, who has insight into upcoming projects that would be a good match for you. The staffing manager can be your career advocate.

Outside of this formal process, many consultants find they can control their learning curve and their development by networking within the firm to facilitate the staffing process. Building relationships with senior people who sell work of interest to you and developing a strong personal reputation as a top performer will help you get assigned to projects that meet your personal and professional goals. Consulting firms look to staff consultants based on the skills required for the assignment, the balance between the client’s needs and consultant availability, and the career development needs of the consultant.

As you can see, working in consulting requires you to excel at (and enjoy) problem solving in a structured way – to understand multiple viewpoints and synthesize insights into actionable recommendations. It also requires strong qualitative and quantitative analysis skills, a track record of delivering projects on time under demanding circumstances, and an ability to communicate persuasively to senior executives. More details on qualifications and career paths can be found in the next section.



START HERE, GET THERE.



Qualifications

To meet the demands of their clients, consulting firms are seeking candidates with a bachelor's degree from a top-rated college. They are open to a variety of backgrounds and are eager to increase the number of women in their ranks. Specific qualifications include:

INTELLECTUAL HORSEPOWER/ANALYTICS

As an undergrad with no work experience, you won't know all the answers to problems, which is no problem, but the consulting firms want to see that you have the ability (and work ethic) to figure out solutions. They want to see that you have excelled in academics and on your SAT/ACT tests.

CLIENT READINESS/COMMUNICATION

Consulting work requires you to be in front of clients and senior executives, so the firms are constantly evaluating your poise, your ability to communicate effectively, and your ability to develop and manage relationships with senior people. This requires a combination of IQ and EQ. They want to see evidence of your client service orientation and public speaking/executive presence.

LEADERSHIP/TEAMWORK

Since consulting work is done on teams, your ability to integrate and work effectively on a team is critical. Firms also want to see your leadership potential (ability to move up within the firm), so they'll be impressed by leadership experiences you've had, whether in a club, business, or campus activity.

BUSINESS INTEREST/NATURAL CURIOSITY

While you don't need to be a business major, the firms are seeking to understand your interest in business as well as your business intuition and judgment. They want candidates who like to solve problems and are eager to learn. If you don't already know about financial concepts, like revenue, costs, profit margins, ROI, and NPV, it may be helpful to become familiar with them prior to interviews.

AIRPORT TEST

Are you somebody that they would want to work with (or get stuck with for hours at an airport)? The firms are looking for your interpersonal skills and whether you are an interesting person.

In addition to these qualifications, consulting firms want to ensure you will be successful within their corporate culture. You need to show your ability to deal with ambiguity and accept (a lot of) constructive feedback as well as the stamina to work long hours and travel. And as with a lot of jobs today, strong PowerPoint and Excel skills are also important!

Consulting firms will evaluate candidates on these skills and attributes through a rigorous interview process that includes behavioral / fit and case interview questions. The case interview questions are problem solving activities often based on business cases you may experience as a consultant.

TELL ME MORE ABOUT...

CASE INTERVIEWS

What is a Case Interview? A type of interview question where the candidate is prompted with a business situation and asked to resolve the situation; this typically takes between 20-40 minutes. The case is often a business situation that the interviewer has worked on in real life and probably not in an industry in which you have experience. There can be different types of cases such as brainteasers, market sizing, market growth, market share, market entry, profitability and mergers & acquisitions. Your approach is more important than the final solution.

Why do companies use Case Interviews? Case interviews go beyond testing your business knowledge and evaluate your approach to business problem solving and your ability to communicate recommendations under the pressure of an interview. Companies like case interviews because they help the interviewer assess your business acumen, quantitative skills, strategic thinking, presentation skills and confidence. The interviewer may also be assessing your engagement with the case to understand your natural curiosity and your enjoyment of solving business problems (and thus the likelihood of you being happy as a consultant). If you like tackling case interviews, then chances are you will love consulting!

How should you prepare for Case Interviews?

Case interviewing is a learned skill and if you dedicate time and energy to practicing, you will get better. There isn't a magic number of cases you should complete before interviewing; it is more about quality over quantity and understanding your own learning style and learning curve. There are a number of resources available to help you prepare – online and on campus; start with your career services office. In addition, many of the consulting firms offer guidance, including tips and sample cases, for interview preparation on their website.

The Career Progression

There are four main entry points into consulting: after graduating from college, following graduation from a graduate program, transitioning from industry, or joining as a senior industry hire. The majority of people entering consulting join from one of the first two entry points. Many undergraduate hires are encouraged to apply to MBA programs after three or four years with the firm; firms may even sponsor or offset MBA tuition upon condition of returning to the firm for two to three years post-MBA.

The titles/roles are fairly straightforward, although the names may vary by firm. Typical tenure at each level depends on the firm, your performance on client work, and your contribution to the firm as well as the firm’s overall performance.

ANALYST/ASSOCIATE (undergraduate hires, two to three years at this level): Conduct secondary research, develop models, crunch numbers, and break down complex problems into discrete tasks. As an individual contributor, you will conduct most of the actual analysis and be responsible for your own your individual work stream.

CONSULTANT/SR. ASSOCIATE (MBA/graduate school hires, one to three years at this level): Conduct primary research, analyze and synthesize data, work with and present findings to clients. You work with clients and your project team members to move projects forward and manage small teams to get the work done. Some firms, like LEK, offer management opportunities at this level.

MANAGER/PROJECT LEADER/CASE TEAM LEADER/ENGAGEMENT MANAGER (one to three years at this level): Lead team of analysts and consultants, manage project end-to-end, structure problem, synthesize work streams into cohesive analysis, serve as daily client contact and share updates with senior team leaders. The level of client engagement can depend on the senior leader’s involvement, scope of project, your tenure at this level, and whether the team is at the client site.

SENIOR MANAGER/ASSOCIATE PARTNER/PRINCIPAL (two to three years at this level): Lead team(s) of managers on multiple projects, own client relationships, and develop new business. You will need to show success in your target practice area and work closely with partners to discover new business opportunities for the firm.

PARTNER Cultivate and own client relationships, lead practice areas, sell new business, lead committees, and contribute to the firm’s intellectual capital. To become a Partner you must own an area of expertise, build long-term relationships with executives at Global 1000 companies, and develop the talents of people at every level.

The number of opportunities at the partner level is significantly fewer than at the analyst level, as these firms have a tiered pyramid structure. That said, at any level within the consulting firm, you will find a variety of exit opportunities available to you. In fact, many corporations seek ex-consultants for operating roles and strategy roles. There are also opportunities to join private equity firms or non-profits, start your own firm, or join the C-suite–depending, of course, on your level of seniority when you leave the consulting firm.

Throughout your career in consulting, you will have a professional development plan and will get a lot of

feedback. The firm expects you to incorporate feedback into your performance and contribute to firm-wide initiatives. If you do not act on the feedback, and the firm has an “up or out” model, there is a high possibility of being counseled out of the firm.

Finally, compensation at each level is impacted by the type of consulting firm, the office location (city and country), the firm itself, and compensation philosophy/ balance of bonuses and other incentives.



| TITLE | TENURE (YRS) | COMPENSATION (\$) | RESPONSIBILITIES |
|--|--------------|-------------------|---|
| ANALYST / ASSOCIATE | 2 – 3 | \$60K – \$100K | Analysis Slide building |
| CONSULTANT | 1 – 3 | \$150K – \$200K | Analysis Slide building Lead work streams |
| PROJECT LEADER | 1 – 3 | \$200K - \$300K | Team management Client management Own multiple work streams |
| PRINCIPAL | 2 – 3 | \$250K - \$350K | Client management Lead whole case team Sell business |
| PARTNER <i>(often required to buy-into the partnership)</i> | N/A | \$450K | Sell business Lead multiple teams Help lead office Help lead company |

THE INSIDE SCOOP

Consulting is a prestigious career with many opportunities to learn, grow, and make an impact professionally, but it is also demanding in terms of hours, travel, and work/life balance. As you look to identify whether consulting is the right fit for you, think about the following pros and cons of working in this dynamic industry.



Many people are attracted to consulting for the chance to solve interesting and challenging problems in a collegial and fast-paced team environment with intelligent and curious colleagues. The work is stimulating and, at many firms, it provides the opportunity to learn about and work across a variety of industries and functions.

Given the project-based nature of consulting work, you are also unlikely to be bored. There is constant exposure to new projects, industries, teams, and locations as well as myriad opportunities to gain insights into changes in the business world and how a company/industry functions. Consulting work also gives you the opportunity to increase your network of high-powered colleagues and clients.

If you are seeking to make an impact across a variety of companies, consulting may be the right option for you. You can directly help clients improve their bottom line, meet customer needs, and grow their businesses.

Another reason people are attracted to consulting is the tremendous skill development opportunities. Through constant feedback; mentorship from senior people; and learning from peers, subject matter experts, and professional trainers you will build amazing skills: problem-solving (think outside the box, build hypotheses, and determine the right answer for a given situation), communication (develop solutions with people across different levels), and project management (own and drive your piece of the solution). You also learn how to work effectively on both internal and client teams.

With these skills, you can be well positioned for careers in management or entrepreneurship. Many analysts who exit consulting enroll in MBA programs, while

The Upside

others join a company in strategy, research, analytics, or project management roles. Still others go into non-profit organizations, government, or private equity firms. As you can see, there are a lot of post-consulting options, and most firms readily accept that you may not intend for consulting to be your “forever” career. They hope that one day the employees who are moving on will hire them to help their future company.

Finally, consulting offers competitive compensation and bonuses as well as other perks like airline and hotel points. In addition, many firms will offer some type of tuition reimbursement (sponsorship) to high-performing junior analysts in exchange for returning to the company for a specified amount of time upon completion of their MBA.

The Downside

With all of the positives of a career in consulting, it is not the right choice for everybody. Consulting can be a challenging career with lots of pressure, long hours, and constant/unpredictable client demands. Here are some things to consider as you evaluate whether consulting is the best option for you.

First, new graduates should expect to work 55-65+ hours a week (including at night and on weekends) on client and firm-wide work. While firms are seeking ways to minimize the stress, these time demands, along with frequent travel, can make it hard to have a personal life.

Second, you have joined consulting for the opportunity to solve interesting problems, and while you (and your team) may come up with viable solutions, clients don't always take your great advice. This, along with not seeing the direct impact of your work, can frustrate many people. This is a client-driven business, so you may also find that clients change priorities or expand project scopes in the midst of a project.

Third, you need to be able to straddle both the consulting

firm and client cultures and work seamlessly to achieve objectives for both parties.

Fourth, depending on the staffing process of your firm, you may not work with the same team of people more than once. There is a constant rotation of work colleagues and new people with whom to develop relationships (and impress). You may be exposed to many different industries and functions or only to one, and may not have direct control over your project assignments. Thus, you may feel like you are starting an entirely new job with every new project.

Fifth, utilization rates can factor into your performance review. These utilization rates are calculated by comparing your billable (to client work) hours to total work hours. The importance of utilization rates and what makes a good rate can differ based on size of team, priorities for the office, and type of firm.

Finally, given all of this, because of a constant focus on areas of development and “up or out” cultures, attrition in the industry is fairly high; turnover can be ~15-20%, depending on the firm.

80/20 rule

Getting 80% of the answer in 20% of your time. The other 80% of your time might not be worth it.

2x2 Matrix

Originally designed by BCG; used to determine investment priorities for a company with a portfolio of products/business units. A scatter graph is used to show how a product/business unit ranks according to market share and growth rates.

Balanced scorecard

A framework for translating an organization's vision into a set of performance indicators distributed among four perspectives: financial, customer, internal business processes, and learning and growth.

Bandwidth

Capacity, free time, ability to do (additional) work; generally used to indicate that the speaker cannot or would not prefer to do additional work, as in: "I don't think I'll have any bandwidth this Friday."

Benchmarking

Measuring a value, practice, or other quantity (such as costs) against those of other companies in the industry.

Big 3 (MBB)

The top three firms in the consulting industry: Bain & Company, The Boston Consulting Group, and McKinsey & Company.

Blue-sky thinking

Slang in the business world for thinking outside the box during meetings, problem analyses, and brainstorming sessions.

Boiling the ocean

When a project team finds itself faced with an impossibly large amount of data.

Business process reengineering

The process of reviewing a client's business processes, eliminating unneeded or "non-value-added" tasks, and then implementing the leaner, more efficient process.

Buttoned-up

Indicates that a particular piece of work or analysis is comprehensive, accurate, and capable of withstanding close scrutiny.

Buy-in

When team members wholeheartedly agree on the goals of an assignment and the strategies for tackling it.

Case interview

A type of interview question where the candidate is prompted with a business situation and asked to resolve the situation; often the case is a situation that the interviewer (or the company) worked on in real life.

Case team

A team working on a consulting project for a client; usually composed of one partner (or director), one consultant, and two or more analysts.

Circle back

To follow up with indicated individuals at a later point in time, usually to review progress on the current topic of discussion; this phrase is somewhat redundant, as it is impossible to trace a circle that does not connect back with itself.

Deck or Deliverable

A report detailing client issues and recommendations from the project team.

Development opportunity

A weakness, flaw, or shortcoming that should be rectified, usually by the subsequent suggestion.

Engagement (case, study, or project)

A consulting assignment received by a consulting firm.

Experience Curve

A learning curve that makes use of more information in order to properly assess the status of a given situation.

Hoteling/hot desking

A system used to assign space to consultants working on site. Consultants move around so much that in some

firms they are not assigned permanent offices—just a voice mail extension. Whenever they know they need to work on site, they call up the office nearest them to request a desk.

Learning curve

The rate at which a consultant acquires background information or industry knowledge needed for a case.

Letter of engagement/ letter of intent / letter of proposal

A sales pitch to a potential client that lays out how and on what a consulting team will focus its efforts and what results the client should expect.

Matrix organization

Larger consulting houses will often categorize their consultants by the means of a matrix. In the case of strategic consulting, one of the axes of the matrix may be an industry (like consumer goods, capital goods, etc.), the other a set of skills (like pricing strategy, market entry strategy, etc.).

Mutually Exclusive Collectively Exhaustive (MECE)

Pronounced "me see," is a grouping principle for separating a set of items into subsets that are mutually exclusive (ME) and collectively exhaustive (CE). The MECE principle is used by consultants to map businesses, where the optimum arrangement of information is exhaustive and does not double count at any level of the hierarchy.

On the beach

The time between assignments, when consultants' work hours usually decline significantly. During this time, consultants conduct research on prospective clients, participate in continuing education, research and write white papers, and help with marketing efforts and other tasks.

Paradigm shift

A change of perceptions, practices, or intellectual viewpoints that creates a major impact on a business.

Porters Five Forces

A framework to analyze the level of competition within an

industry and business strategy development.

Scope creep

When clients find themselves overly involved in tangential aspects of a project.

Sponsored (or formers)

This refers to individuals who worked at a consulting firm prior to business school and who have a financial incentive to return to that firm post-MBA graduation. These individuals are typically encouraged to intern in a different industry to expand their skill set and credibility with the consulting firm's clients.

Straw man

A construct presented purely for the sake of argument, with the implication that it is not designed to withstand repeated attacks.

SWOT diagram

Analysis of a project or business venture by focusing on four factors: strengths, weaknesses, opportunities, and threats.

Up or out

A promotion policy that requires consultants to leave a firm if not promoted within a certain period of time (usually two to three years). Also known as sink or swim.

White paper

A report whose goal is to educate consumers on a major issue.

Work plan

A schedule for completing a consulting engagement.

Workstream

A set of tasks that must be completed to finish a project.

THE BOTTOM LINE.

The consulting industry is a dynamic and robust industry with lots of opportunities for college graduates and MBA graduates to develop a transferable skill set and make an impact on the future success of client organizations.

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