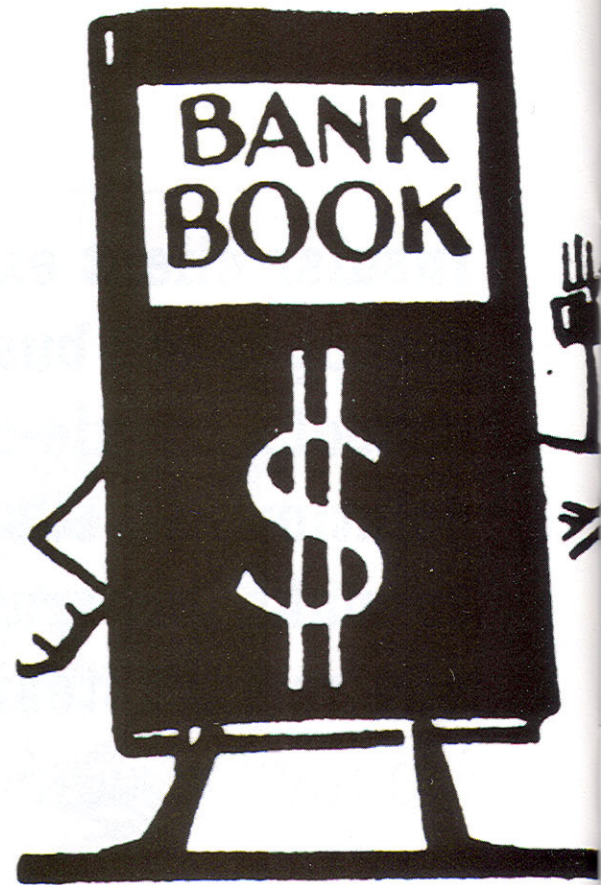


mation is collected and reviewed in context, the consultant must relay it to the client. This, in consultantese, is referred to as increasing the efficiency and velocity of knowledge. This is 50 percent of what you're paying for. Once the relaying takes place, the consultant then uses an objective perspective to pinpoint opportunities in maintaining the client's current investment directions or alternatives in which to redeploy their resources (the firm's strategy). This, friends, is strategy consulting (and the other 50 percent of what you pay for).

The greatest failure experienced by these "professional teachers" is in managing the expectations of the client, including defining the role of the consultant as teacher. Many "consultants" are often functional consultants, regurgitating the particulars of the role they once possessed. Others are industry veterans, advising on how things were done in their former departments at that point in the history of an industry. These consultants are invaluable tacticians and analysts, but unfit to advise on strategy.

Many clients are also employers of MBAs, also trained as consultants, but unfortunately not trained to think of anything else other than their duties at the client firm in the context of what's going on in the industry or functional area. They're spectacular project managers and producers, but because they're not mobilized to look at the big picture, they're also unqualified to displace the role of an outside adviser. (This is why the term "cookie-cutter" has often been used to describe a consultant's product, and why managers are willing to pay such a high price for innovation.) Although a specific strategic challenge needn't be articulated, there should always be a consensus between consultant and client on the value a consultant will deliver.

Another tragedy contributing to the misunderstanding of the business of strategy consulting is the dearth of innovation in the way a consultant teaches. It's ironic that consultants spend so much time improving clients' businesses, and yet they rarely think of improving their own business. What other differentiator exists for a person hired to think and teach if not the way in which they think and teach? Yet most consultants and their firms are refugees of the large firms, where they were trained in the culture and methodologies of the big boys. Even the big boys, if you trace their origins, came from three firms and schools of thought (engineering, accounting, and the science of business management).



More critically,

what are those who employ MBAs or pay them as consultants for their "knowledge" truly getting for their money if no one learns to convey that knowledge in any other way than how they've been taught for the last 75 years?