The Skills and Competences of Management Consultants and How They are Developed

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Introduction

“Every consultant knows that his clients are his teachers and that he lives off their knowledge. The consultant does not know more. But he has seen more.”

Drucker's quote seems highly appropriate when considering the skills and competences required of management consultants and how they are developed. It also highlights the difference between the consultant and the client-side executive.

Much work has been done by the ICMCI to formalise the skills and competences required by consultants, and in early 2014 a competence framework was launched to complement the long-standing CMC qualification. Kubr (2002, p.4) argued people need to master tools and skills as well as observe the behaviours to be effective. The CMC qualification is not a prerequisite to practise as a consultant and many firms operate their own frameworks to ensure their consultants epitomise their brand and values as well as measuring their individual development and evaluating competences.

The competences expected of a consultant within the ICMCI framework revolve around three core elements: business, technical, and values and behaviour with further sub-competences to pinpoint specific skills required. Within the business competence, it is evident the consultant is required to look outwardly at external factors, develop and draw on their experience and knowledge of the consultancy market as well as the factors affecting the client in the broader context in which they operate. The technical competence revolves around the deeper understanding of the project, the skills required which the client may not possess, and the ability to apply appropriate techniques to the project to bring about the desired outcome. The values and behaviour competence reflect the ethical and professional standards expected of a consultant. Within this competence, the framework looks at key skills in terms of listening, picture building, questioning and interviewing skills used by consultants in order to add value to clients. This can be done by challenging the client through discussions in the "Zone of Uncomfortable Debate" promoted by Bowman (in Haslam, 2017, p.59) and the effective and ethical use of the Wickham and Wickham push pull model (in Haslam, 2017, p.70).
A consultant has to be adept with each element and able to deploy a specific element of the model at the right time to deliver the benefit to the client.

Having identified these core competences, it is evident the ICMCI sees these as being developed whilst on the job, a point endorsed by Kubr (2002, p.800) who agrees that learning on the job is the main method of learning, although there is an expectation any consultant should also have some experience either in the form of a professional qualification or degree or specific work experience. This statement within the framework lends some credence to the assertion that the ICMCI is seeking to introduce a greater sense of professionalism, formalising skills required of consultants through the CMC qualification and to affirm management consulting as a profession. However, as stated by McKenna (2009, p.203), it is difficult to determine whether consulting can be seen as a profession given the CMC qualification is not a requirement to enter the consulting world, as evidenced by both O’Mahoney (2013, p.23) and Law (2009, p.63) who recognise that fewer than 3% of consultants hold the CMC qualification, a figure which has barely changed in recent years. Visscher in 2006 suggests the larger firms simply do not need codified knowledge or certifications because their methods of developing consultant competence revolve around enhancing the overall competitiveness of the firm, rather than developing the whole profession which may erode any competitive advantage held.

It is clear the professionalisation of consulting debate is ongoing and despite the broader context of consultant skills and competences being developed internally by individual firms, Drucker (1981) summarised the development of individual consultants in terms of skills and competences in the form of practitioners who bring previous knowledge, situations, and outcomes to bear in their work on individual cases. Alvesson appears to agree with Drucker, stating their work has more to do with "experience in adapting to new situations" (Alvesson, 1993, p.1005) rather than specific expertise. Bourgoin and Harvey (2018) refer to this challenge as "learning-credibility tension", based on the fact consultants must appear competent and confident when undertaking new assignments, all the while gaining knowledge of the client’s business in a discreet manner. Although the competency framework suggests the need for functional expertise in a sector, the ICMCI acknowledges the additional importance of learning from others. Visscher points to a survey conducted in his own research in 2006 which demonstrates how individual consultants in Holland felt they developed their consulting skills and competences. Unsurprisingly, given the conclusions in the range of literature cited above, these consultants felt overwhelmingly that they self-developed their skills either as an individual or with colleagues, which in the latter also demonstrates the effectiveness of mentoring programmes in aiding consultants develop their skills and competences. Visscher concluded "learning-by-doing in concrete projects in interaction with clients and colleagues, were in general considered more important" (Visscher, 2006, p.257).

One could argue the skill set required of a consultant and an executive are not dissimilar and the hiring of former consultants into executive positions by firms has narrowed the gap. Sturdy (2008) presents them as change agents and that their skills and superior knowledge of practices external to firms have enabled organisations to close the gap and rendering them less likely to require the services of an external consultant. He suggests that although client-side executives may lack the reputation of
external consultants, they are in a better position to effect change within an organisation particularly as they have to provide leadership and decide whether or not to act on the advice being given.

This is supported by Groysberg who highlights change-management as one of the seven skills or traits most valued by companies suggesting "an external hire can bring a new skill set that can lead to significant change and growth" (Groysberg, 2014). Where consultants were previously deployed to improve processes, the outlook of organisations and imparting external knowledge, the client-side executive is now seen as being broadly capable of doing so himself. Furthermore, if consultants are required, the greater number of former consultants in executive positions means they are often able to take their pick of a variety of consultancies, leading to a higher quality certainty on any project undertaken. The quality of the consulting firm is also particularly important to client executives when seeking legitimacy for any decision, notably when working with a range of stakeholders from the board to shareholders.

Knowledge and expertise are prevalent themes in the ICMCI framework, and although the framework suggests a need for a year of consulting experience and the application of sector knowledge to at least one business sector, it is evident knowledge and expertise are a crucial aspect of any consulting project and to an extent it differentiates a consultant from a client-side executive. The conventional view in literature is that consultants are viewed as outsiders who bring knowledge into the organisation, and help them create new knowledge. This view appears to be confirmed in O'Mahoney’s work (2013, pp.25-26) who cites two surveys which state 66% of clients bring consultants in for their skills, 45% for original thinking, and 34% for an objective perspective, although this contrasts with another survey which stated that clients valued the objective advice the most at 84%, tailored solutions at 81% and close working relationships at 78%. Despite the view of Niewiem and Richter (2004, p.11), where expertise is being seen more and more as a crucial source for superior value creation this contrasts with the procedural approaches which lack distinctiveness, and a survey cited by O'Mahoney suggests clients do not value the expertise or the sector knowledge as highly at 44% and 63% respectively. This affirms the view that client side executives are deeply embedded within their organisation and have a greater knowledge of the context in which they operate. However, as client-side executives become more embedded in their organisation, their knowledge and skills become narrower and more specific, whilst consultants are able to maintain a broader perspective through their exposure to different sectors, market forces, countries and technologies.

Armbruster (2006, p.103) suggests client executives develop their networks internally and take time to identify and define consulting issues, and as such possess greater internal knowledge of the organisation in terms of power relations, micropolitical issues and sensitivities, its employees and operations as well as points of resistance and any pitfalls. By identifying consulting issues within their organisation, client executives are in a strong position when it comes to scoping the project, negotiating, and pricing with consulting firms, particularly if they are a sophisticated client who has previously worked with a number of consulting firms and has strong ties with different consultants. As a result, consultants develop their skills in regularly communicating with their clients to influence their thinking and also steering them towards their strengths and addressing weaknesses and market threats or opportunities. Client executives have to develop their
trust in consultants in order to avoid any future embarrassment if the termination of a consulting project is necessary.

Groysberg (2014) highlights technical and technology skills as another important trait required of executives, and that the need for these skills is increasing in importance in organisations. The growing need for strategic thinking and execution amongst executives also suggests that as Christensen et al (2013) posit, by hiring former consultants, the skills in applying tools and techniques are no longer necessarily being sought externally, and as a result, external consultants are being used in a more modular way so that organisations derive greater value from them and have greater control. Beyond demonstrating appropriate knowledge and expertise, a consultant must be able to present solutions effectively as well as work with the client in a variety of ways to effect change and pass on knowledge. Sturdy's work in 2008 suggests many of the former consultants surveyed had to draw upon these skills in order to help organisations make explicit and implicit changes in cultures and values as well as developing individual skills. It is evident communication, presentation, team, and relationship-building skills are moving to the forefront of skills required of client-side executives, and given the emphasis given to the development of these skills and competences in consultants through the framework but also day-to-day practice, it seems clear the differences in the skill sets required is narrowing.

Conclusion

In conclusion, consultants develop their skills and competences through their work on projects, and these are developed by exposure to a range of different sectors which require different knowledge and the application of different tools and techniques. It is clear the ICMCI competency framework goes some way to formalising the skills and competences required of consultants, although as discussed above, with around 3% of consultants formally holding the CMC qualification, larger firms use their own frameworks to develop their skills and competences which serve to enhance the overall competitiveness of the firm. The differences in the skill sets required of client-side executives and consultants is narrowing, and the recruitment of former consultants to executive positions has contributed to this change, although there remain some differences in terms of knowledge. As cited above, client executives have greater internal knowledge of their organisation and are often in a better negotiating position when considering contract details empowering them over consultants. It is clear consultants possess a greater perspective of broader issues through their exposure to different sectors, tools, and methods in each project, whereas the client-side executive is more embedded, and the skill set narrows over time to the specific organisation and sector. Drucker’s 1981 quote still seems highly relevant today when discussing the skill set of consultants and how they are developed in contrast to the client-side executive.
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