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Watch Number 290

Calvert Markham

Introduction

Look at this picture of a stopwatch. It is clockwork and in small letters on the dial bears the words 'Swiss made' – a mark of excellence in a clockwork watch. It has a button at the top that you can use to wind it and start and stop it, and a further button on the side to allow further operations.

But look more carefully at the face of this stopwatch; instead of the dial showing 60 seconds, it is divided into one hundred – one hundredths of a minute. For this watch, with a serial number 290 on the back, was the single tool of the trade that I was given when I became a management consultant in 1974. We are all familiar with the march of technology since then, but as it is now almost 50 years since I became a management consultant, it's worth remarking on a few of the changes that I've noted personally over the intervening years.

The Rise of Office Automation

Fifty years ago the equipment investment per office clerk was a fraction of that of a factory worker. Office machinery was limited to typewriters, which were largely manual, and photocopiers were relatively new; typists created carbon copies (and to this day copies of an email will be addressed in a line marked Cc - an abbreviation of 'carbon copy'). Offices are information processing factories and like their industrial equivalents two hundred years ago, there has been a revolution as computer-based systems have taken over clerical work. Consultants have been massive beneficiaries of this.

A Massive Growth in Consulting

In 1974 I joined a community of management consultants that numbered only a few thousand at most in the UK. In Agents of Change[1] published in 1982 Patricia Tisdall notes that the Management Consultants Association was founded in 1956 by the 'Big Four' consulting firms - PA Management Consultants (the firm I joined), P-E Consulting Group, Inbucon, and Urwick Orr and Partners – but by the early 1980s the management services divisions of the major accounting firms were growing. By the end of the 1980s large computer firms such as IBM were joining the party. Commodification of hardware had reduced the margins available from large computer installations and previously bundled services from their systems engineers had to move from free to fee.

Tisdall reckoned the UK management consultancy market employed 5000 consultants and was worth about £200m in 1980 (£800m today); today there are an estimated 63,000 consultants in a market worth £11bn.

The Nature of Consultants Work Has Changed

Whereas nowadays a lot of consulting work is substitutional – projects are outsourced to a team of consultants – when I started as a consultant the work was navigational: the consultant worked with client staff to equip them with the skills needed to conduct the project. Teams of consultants working on a project were unusual; mostly you worked alone.

Back then, too, consultants were corporate magicians; working with clients they would share and apply arcane knowledge. The growth of management education and the ready availability of information on the internet has put an end to this; the important skill now is know-how, not know-what!

Consultants Still Get a Poor Press!

Back in 1977 Anthony Jay wrote in Harvard Business Review[2]:

"There was a famous London management consultant in the 1950s whose craggy face, bushy eyebrows, deep perception, and penetrating analysis were almost hypnotically irresistible to the boards of large corporations. But once the corporation was hooked, he was never seen again. For the next 18 months the offices were overrun with hordes of young, fresh-faced business graduates completing their management education at the corporation's expense."

[1] Agents of Change Patricia Tisdall, Heinemann, 1982 charting the history of management consultancy in the UK was commissioned by the Institute of Management Consultants to celebrate the 20th anniversary of its founding
[2] Rate Yourself as a Client Antony Jay, Harvard Business Review, July 1977

More recently – 2018 – much press coverage was given to research[3] that concluded that 'using management consultants brings inefficiency to the NHS' – a claim vigorously denied both by the consultants and their NHS clients.

The popular trope is that consultants are snake-oil salesmen selling dubious solutions to unsuspecting clients, which says little for the wisdom of those managers who hire them and fails to explain the year-on-year growth of the industry. The fact is that clients engage consultants in client projects which often entail unpleasant change, so it is far easier to rail against those agents of change than against your employer!

And because the work that consultants carry out is on projects conceived and owned by their clients, it is difficult to assess consulting performance objectively; projects are joint ventures between client and consultant and require excellence from both.

Maybe Not a Professional…

Anyone can call themselves a consultant and so there has over the years been a lot of effort to set performance standards and professionalise the role. It was only shortly before my time that fees were charged in guineas by consultants, as were those levied by other professionals such as surgeons and lawyers.

Membership of the Institute of Management Consultants (IMC) was originally conceived as a badge of competence. PA was a great supporter (and a source of many Presidents, of which I am the most recent), and so enrolled me and paid my membership fees. I could join the IMC as an Associate after one year's experience and then become a full Member after (I think) three years. This was simply a time qualification but then in its attempts to win a royal charter, examinations were introduced. Rather than increase the demand for membership, exams reduced it, and so they were removed. This pattern was repeated some years later when a formal qualification for membership was introduced – and then removed again.

Membership of an institute can offer three main benefits: affiliation, providing strength in numbers; association, providing the opportunity to engage with fellow professionals; and an indication of meeting standards of professionalism and competence. Those working in consulting practices will enjoy affiliation and association from their firms; and for the most part large consulting practices have chosen to provide their own validation of the professionalism and competence of their employees rather than seeking it from the IMC. In the early 1980s the fledgling consulting practices in the accounting firms were supportive of the IMC whilst getting established but withdrew thereafter. The upshot was that in 2005 when I was involved in a project studying brand recognition, the IMC ranked lower than the major consulting firms.

Chartered membership of many professional institutes confers a licence to practice – for example, as an accountant to sign off a set of accounts. For management consultants the question is, what authority does chartered membership convey? Or perhaps, what

[3] The impact of management consultants on public service efficiency Kirkpatrick, I., Sturdy, A., Reguera Alvarado, N., Blanco-Oliver, A., & Veronesi, G.; published in Policy and Politics 2019

critical aspect of management consultancy does lack of a licence to practice deny? So, the recent introduction of the Chartered Management Consultant award is to be applauded, but it remains to be seen whether it will get traction.

…But Skills Do Make a Difference

My stopwatch did not make me a consultant. Good consultants have not only functional expertise but also competence in problem solving, delivering those solutions through capable project management, and good client relationship skills. At their best, consultants have a transformative effect on organisational performance, and long may this continue.