

The Structural Evolution of Consulting and the Attenuation of Individual Ethical Judgement

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Abstract

This article explores the lived ethical dilemmas faced by a consultant across different organisational contexts, and ascending levels of seniority. This focus is used to investigate whether the evolution of consulting firms structurally, has progressively constrained the efficacy of individual ethical judgement. Using the most up-to-date IC Code of Professional Conduct alongside the participant's lived experience, the article examines how these structural developments interact with professional ethical expectations and the practical realities of consulting work. Finally, the article offers suggestions for owners, the only consistent agents with substantive ethical oversight, on how, alongside commercial prudence, they might ensure that their organisational design remains conducive to unobstructed ethical judgement. This is by no means a prescriptive remedy but rather a stimulus for deeper consideration.

Introduction

Professional codes of conduct position consultants as autonomous moral agents capable of exercising independent ethical judgement even under client pressure. Yet contemporary consulting practice complicates this assumption. Large professional service firms operate through bureaucratised hierarchies, leverage models and performance systems that prioritise revenue generation and client retention. Independently, McKenna's (2012) account of consulting's "third wave" suggests consultants increasingly sell legitimacy rather than substantive expertise, embedding them within client politics. This raises an important question: to what extent can individual ethical judgement remain effective under such organisational constraints?

To explore this empirically, I conducted a semi-structured interview with a former strategy consultant who held partner-level positions at several UK 'Tier 2' firms (i.e., large strategy consulting firms outside the top-tier "MBB" group, such as Strategy&, Oliver Wyman, or Kearney) and now runs an independent consultancy. The essay argues that while ethical agency is significantly constrained within large consultancies, it is not universally eroded. Rather, its viability is structurally contingent and more likely to flourish in independent and alternative consulting models, where reduced exposure to leveraged staffing models and formalised hierarchical oversight creates greater discretionary space for independent ethical judgement. The essay further contends that, given ethical dilemmas are in many cases products of organisational design rather than individual failing, owners represent the only consistent agents with the structural authority to meaningfully address them, and offers a series of practical considerations to that end.

Individual Ethical Judgement and Professional Codes of Conduct

Before evaluating whether individual ethical judgement has become increasingly ineffective in contemporary consulting, it is necessary to clarify what this entails in practice. Professional ethics frameworks position consultants as bearers of full moral agency, capable of exercising independent judgement and resisting unethical client demands upon an individually determined breach of conduct. This assumption is codified in professional standards such as the Institute of Consulting's (UK) Code of Conduct, which emphasises integrity, independence, transparency, and responsibility to clients and wider stakeholders (Institute of Consulting, 2020). Ethical conduct is therefore framed as a matter of personal judgement, supported by professional norms rather than enforced through external regulation.

Within this normative framework, individual ethical judgement rests on three key premises:

1. Independence from client pressure.
2. Discretionary agency: ethical dissent or whistleblowing is presumed capable of meaningfully influencing project direction or outcomes.
3. Individual accountability: responsibility is expected to rest at the level of the consultant, rather than diffused across organisational or inter-organisational structures.

These assumptions underpin the profession's ethical proclamations and are reinforced through training and accreditation processes (Dinovitzer et al., 2015).

However, critics have questioned whether these conditions are realised in practice. Schein (1997) notes that consultants rarely serve a single, clearly bounded client; responsibility is often dispersed across contact, primary, unwitting and ultimate clients, making ethical accountability inherently ambiguous. Bandura's (2001) distinction between personal, proxy, and collective moral agency is particularly instructive here: while professional codes presume personal agency, whereby consultants independently evaluate and resist unethical situations, consulting structures routinely embed practitioners in proxy and collective arrangements, where agency is exercised on behalf of others and responsibility is shared across organisational hierarchies. The Code's expectations are therefore not merely difficult to meet, but premised on a fundamentally inaccurate model of how agency operates in these settings. Additionally, O'Mahoney (2011) highlights the tension between individual moral responsibility and the commercial incentives of consulting firms. Ethical judgement is therefore paradoxically framed as autonomous while operating within structurally constrained client relationships.

Sturdy and Wright (2011) argue that consultants function less frequently as detached experts and more as partners who co-produce solutions with clients, generating value through alignment and responsiveness rather than adversarial challenge. Ethical judgement therefore becomes entwined within ongoing client relationships and expectations of service, limiting the scope for individual resistance without significant personal or professional cost.

The Evolution of Consulting & the Importance of 'Legitimacy Selling'

The historical evolution of the consulting industry has altered the conditions under which ethical judgement is exercised. Where earlier waves of consulting were characterised by the provision of substantive organisational expertise and analytical frameworks, McKenna's (2012) third wave marks a meaningful shift: consultants increasingly provide external validation for managerial decisions rather than producing original strategic insight. When effectively hired to validate pre-existing decisions, dissent risks undermining the very function for which the consultant was engaged. The industry's structural evolution has, independently, further altered these conditions. Kipping and Kirkpatrick (2008) and Morris et al. (2012) document the progressive displacement of the decentralised partnership model by formal hierarchies, codified methodologies, and centralised oversight. This embeds consultants within leverage models and routinised delivery systems that prioritise revenue generation and client retention over independent professional judgement. Additionally, Bijnens et al. (2025) provide empirical support for the continued prominence of legitimacy work, finding that 64% of academic experts and 52% of practitioners believe consulting engagements are primarily legitimising in nature. Together, these developments point to two, independent, reinforcing constraints on individual ethical agency: first, that increasingly bureaucratic organisational structures progressively limit the discretionary space available to consultants; and second, that the shift in consulting's value proposition towards legitimacy-selling further subordinates substantive ethical judgement to the demands of client validation.

Empirical Evidence: Lived Experience of Structural Constraint

The interviewee's career trajectory - spanning junior consultant to partner across large bureaucratic firms, before transitioning to independent owner - maps directly onto the structural progression this article examines, offering a rare sequential perspective on how ethical agency shifts as both seniority and organisational context change. This sequential perspective may caveat the findings through a retrospective self-serving bias; the singular interview was nonetheless chosen in favour of depth over breadth - necessary to explore the nuance of the following dynamics.

Client Dependency and Sales Pressure

A central theme in the interview is a consultant's lack of genuine independence when operating within a revenue-dependent firm:

"Even when I was a partner, you have your sales targets... you're not independent enough."

This reflects Greenwood and Empson's (2003) analysis of how large professional service firms, as they grow, necessarily separate decision management from decision control, embedding even partners within formal performance structures rather than collective partner oversight. Consequently, this separation of decision management from decision control is not an incidental feature, but an architectural one embedded by design as firms grow.

The interviewee's reflection that as a consultant, you "park some of your ethics" once a project is sold illustrates O'Mahoney's (2011) concept of ethical individualisation, wherein responsibility is devolved to individuals while structural conditions simultaneously disincentivise its exercise. As the interviewee notes, dissent is rare because "if the partner or director has signed up this project... you just suck it up."

Suppression of Dissent

The interview also reveals how dissent can actively be discouraged. When discussing a sales strategy project for a tobacco company, the consultant explained:

"If you continued to kick up a fuss, you'd probably be rolled off the project."

The interviewee's account of ten colleagues refusing the tobacco project when he was a junior consultant, before management approached him directly, illustrates how individual ethical dissent is managed through replacement rather than compromise. As he put it:

"Even if you're not willing to do it, there'll be someone else... the boss at the top doesn't really care who that junior is, as long as they have a body who can do it."

In his words, management's logic was simple: "if I go and knock on ten doors, one of them will open" and from the firm's perspective that is sufficient. The result is a system that appears to respect individual conscience while rendering it structurally meaningless. Consultant fungibility ensures ethical dissent carries no collective weight: individuals are replaceable, and the work continues unchanged.

Procedural Ethics and Moral Disengagement

Moral disengagement was also persistent, wherein consultants reframe their work to evade responsibility for its ethical implications. When discussing the tobacco project, the interviewee noted:

“Everyone had made their peace with it... people tell themselves a narrative... ‘I’m not really selling cigarettes.’”

This is an example of moral disengagement (White et al., 2009), particularly through: euphemistic labelling, such as “I’m helping my boss”, and diffusion of responsibility, such as “someone else will do it if I don’t”.

The prevalence of such narratives suggests that structural conditions have made ethical compliance psychologically unsustainable; disengagement becomes not a moral failure, but a coping mechanism generated by the firm's own design. This further undermines the premise of professional codes that position ethical conduct as a matter of individual will and character.

Ethics as Ownership Privilege

Further evidence of curbed ethical agency is the interviewee's reflection that meaningful ethical choice only became possible once he owned his firm:

“I have [turned work down] now... but only now that I’m the boss... even when I was a partner... if you’re behind on sales targets, you’ll go back to that oil and gas firm.”

Therefore, until ownership is reached, consultants at every level remain embedded in systems of revenue targets, partner expectations and client dependency. Only ownership removes these pressures sufficiently to allow full ethical autonomy. This supports O’Mahoney’s (2011) argument that ethical responsibility is structurally misallocated, as individuals are held accountable for decisions they have limited influence over.

Legitimacy Projects as Structural Amplifiers

The interview data also shows that legitimacy-selling intensifies the structural constraints on ethical judgement. Legitimacy projects require external validation rather than objective analysis. As the interviewee explained:

“When there is a decision made... they want an external person to suggest that strategic decision.”

Whilst particular to legitimacy selling, in this type of project the consultant’s role is to “rubber stamp it” or “confirm what they [the client] already know.” In such contexts, ethical judgement is not only constrained but also rendered structurally irrelevant. When seeking to externally verify a pre-existing belief, the consultant explains:

“They want some sort of documentation or legitimisation of my decision... [Big 3 Consultancy] followed this framework, and it says you’re not a good fit.”

Here, the appearance of due process substitutes for objective evaluation, further reducing the scope for ethical agency.

Ethical Agency Beyond Large Consultancies

Currently elite consultancies dominate the narrative, but the industry is more diverse. As Sturdy (2011) observes, independents and alternative models such as freelancers, boutiques, and sole practitioners, constitute a meaningful share of the market yet are routinely overlooked. Whilst governance and leverage structures vary considerably within both categories, large firms are more likely to combine leveraged staffing models with formalised hierarchical oversight in ways that systematically constrain individual discretionary space. As the interviewee observed, “I think it's more about the consultancy than the consultant... unless the organisation is wedded to those ethics, it's very hard to be the individual in it trying to fight the battle.” Emerging platform models may further reconfigure these dynamics: Crişan and Marincean (2023) note that automated matching platforms embed client data into consultant selection before any human involvement, raising the prospect of ethics being structurally codified at the organisational level rather than left to individual discretion.

Conclusion & Considerations for Owners

Given that ethical dilemmas are, in many cases, ipso facto products of organisational design rather than individual failing, professional codes of conduct function more as behavioural toolkits for managing dilemmas generated above the consultant level than as genuinely enforceable standards. This points to a gap that owners, as the only consistent agents with substantive structural authority, are uniquely positioned to address. I propose a taxonomy of three distinct categories of dilemma requiring tailored responses: the company-level dilemma of whether to take on a project or client at all, best addressed through clear internal and external frameworks and checklists; the personal dilemma of individual reluctance to work on a particular client or industry, which requires protection analogous to whistleblower provisions to ensure no individual blowback; and the in-project dilemma of ethical discomfort with rubber-stamping pre-defined client solutions, which could be mitigated through documented decision-making trails and independent senior auditing.

Emerging digital mechanisms present a more structurally embedded route to ethical codification: operating before commercial pressures enter the equation rather than asking individuals to resist them after the fact. Where automated platforms select consultants based on a pre-codified client demarcation, the binds that currently force individuals to choose between ethics and revenue may be circumvented at the market level rather than fought at the individual one. This is by no means a prescriptive remedy, but rather a stimulus for deeper consideration by those with the structural power to act on it.

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