
Review Of The Article “Consulting On The Cusp Of Disruption”

In the article “Consulting on the Cusp of Disruption” the authors explain the theory of disruption and its implications on the consulting industry through comparison of disrupters shown in other industries, like steel and publishing, as well as through careful analysis of incoming competitors in the industry.

For years, consulting was immune to disruption due to 2 main factors: opacity and agility. In large part, consulting firms’ methods of finding solutions were opaque and difficult to gauge which made them difficult to imitate. These firms’ agility to move from big idea to big idea also helped them respond to threats of disruption efficiently. But with factors like rapid technology advancement, democratization of knowledge, as well as new emerging competitors, we start to see the inevitable eroding of opacity and agility. The incoming advancement of technology is now helping firms automate the Average Costing and Pricing analysis which is only going to get better with time. Firms are also starting to see the impact predictive technology can have on their industry and are starting to implement said technology in big data analytics to help deliver value much faster than what traditional consulting ever could. These strides in technology are pushing away the opacity that consulting firms once had and helping standardize routine projects that will aid consulting firms in moving towards finding solutions to more complex issues.

Another factor that is pushing disruption into consulting is the democratization of knowledge. The increase of McKinsey & Company Alumni in 2007 of 21,000 alumni to 27,000 alumni today is helping spread knowledge to companies who hire these professionals and form their own internal strategy and management groups. This has made companies work towards creating segments within their departments that help move more work in-house rather than relying on outside firms like Bain and BCG. With the growing work that is done in-house thanks to democratization, companies are now able to seek out disaggregate consulting service as they become more efficient at assessing jobs that they need done instead of relying on the traditional consulting role of firms of providing aggregate solutions. With the role of consulting firms evolving, big firms like McKinsey & Company race to disrupt themselves in order to avoid disruption by the competition. But the incoming disruption that big firms face from their competition is unlike any other.

Thanks to the democratization of knowledge, this new wave of competition has been able to grow thanks to their business approach of modularization, which is offering companies specialized consulting services. This new approach has been helping companies like Eden McCallum and Business Talent Group grow rapidly in the consulting industry which will lead to the implication of consolidation. Within years, these firms will tackle most problems that require strategic solutions and leave out problems that require complex solutions paving a way towards a thinning of the consulting firm ranks.

In summary, the disruption consulting firms face will be inevitable as the needs of companies, who require the help of consulting firms, evolve from the traditional role of aggregate solutions into disaggregate based solutions. I agree with the stances the authors of this article take on

because they were able to put together an argument that incorporated the past, present, and future of consulting firms which helps signify an incoming wave of change of an industry who was immune to change for a very long time.

eduzaurus.com