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## Analysis of Realities and Myths in the Consulting Industry

**Dr. Ebenezer M. Ashley**

CEO, Department of Finance, Banking, Economics and Business,  
EBEN Consultancy, Accra, Ghana

**Dr. Emmanuel O. Asiamah**

CEO, Department of Strategic Management and Pensions,  
Hedge Pensions Trust, Accra, Ghana

**Dr. Gideon Boako**

Senior Economist, Department of Economics and Finance,  
Office of the Vice President, Accra, Ghana

### **Abstract:**

*The terms, consultancy and consulting, are often used interchangeably to explain a set of knowledge acquired and implemented in a specialised field or in specialised fields. In recent years, organisations have realised the constant need for third party expertise; and this affirms the significance of consulting services in the competitive global business environment. Services provided by consultants in various professional fields have proven to be essential to the socio-economic development and growth of organisations and economies across the globe. Its significant contributions notwithstanding, activities of the consulting industry are believed to be muscled by a number of factors. The main objective of this scientific inquiry was to examine the realities and misconceptions associated with the activities of professionals in the consulting industry. Specifically, the present research sought, among other objectives, to examine the effect of professional service delivery on the reward of consultants in the consulting industry. The quantitative approach to scientific inquiry formed the basis for the conduct of this research. A cross-sectional design was adapted and used in the study. This allowed the researchers to gather relevant research data over a specific period of time. Data required for the research were obtained essentially from secondary sources including text books, journals, research papers, newspaper publications; and Google Search Engine, among other relevant sources. Descriptive statistics and regression models were used to describe the research variables; and to evaluate their behaviour over the stated time frame in the consulting industry. The research findings revealed professional dispositions of consultants account for about 99% of the variation in their average earnings in the consulting industry. The study recommended the need for consultants to pay attention to project details; and ensure strict adherence to project deadlines. Consultants with multiple talents could fit into several specialised areas. Consultants' creativity and quick resolution of difficult problems would be a trump card. Providing meaningful solutions to clients' problems is predicated on strong understanding of the problems on hand. To this end, it behoves the consultant to ask all the relevant questions and demand answers from the client. Consultants must continually avail of themselves to learning to be abreast of current happenings and dynamics in the consulting industry to assure the provision of contemporary and state-of-the-art consulting services for clients. Consultants who wish to achieve remarkable success in their chosen profession must be committed to listening; and building meaningful and healthy relationship with their clients.*

**Keywords:** Consultancy, consulting, external consultant, internal consultant, myth, reality

### **1. Introduction**

The terms, consultancy and consulting, are often used interchangeably to explain a set of knowledge acquired and implemented in a specialised field or in specialised fields. Consultancy or consulting involves assuming an advisory role in a given discipline or set of disciplines. Consultants provide varying degree of advisory services in a range of disciplines: finance, operations, strategy, human resource and technology, among others.

Generally, there are two major forms of consultants. These include internal and external consultants. The responsibilities and functional dispositions of these two forms are similar in many respects, with at least two clear differences: internal consultants are usually full-time employees and listed on the regular payroll of their employers. However, external consultants are often remunerated only when their services are engaged by an organisation. In addition, internal consultants are sometimes "heckled" in the course of discharging their professional responsibilities. Stated differently, internal consultants are sometimes compelled by their employers to present analyses and findings in a particular or desirable manner. Finally, internal consultants are believed to have a better understanding of their organisation's cultural and functional dispositions than external consultants.

Conversely, external consultants often tend to be “resolute” and “firm” in the discharge of their professional duties. External consultants have the opportunity to address compelling and varied challenges of all shapes of organisations – small-, medium- and large size organisations.

However, internal consultants may be limited in scope and function since their responsibilities are often limited to their organisations. The foregoing notwithstanding, there are a number of internal consulting firms that have developed into external consulting firms. Examples include Shell, Philips, GM, and Porsche Consulting, among others.

The choice of internal consultant or external consultant is often tied with the financial strength of the hiring organisation. Thus, the budgetary strength of a firm strongly influences its decision to opt for an external or internal consultant or both.

### 1.1. Background of the Study

Extant research reveals the existence of myriad of segments in the consulting industry. This could be attributed to the existence of numerous disciplines across the globe. Advisory experts believe there are over two hundred (200) different segments in the consulting industry. Different forms of typologies have been advanced, over the years, by different analysts to ensure apt definition and valuation of the consulting industry.

Varied definitions of the consulting industry are applied by analytical firms such as IDC or Source Global Research, Gartner, and ALM Intelligence. The latter was formerly known as Kennedy Consulting Research and Advisory. Also, representative bodies such as the Management Consultancies Association (MCA) and European Federation of Management Consultants (FEACO) apply different definitions to the consulting industry. In line with common practice among many consulting firms across the globe, the typology of ALM Intelligence is applied to this research.



Figure 1: Major Segments in the Consulting Industry

Further categorisation of the over 200 various segments identified in the consulting industry could result in the major segments outlined in Figure 1. Data in Figure 1 depict the existence of five distinct segments: strategy consulting, operation consulting; human resources consulting, financial advisory consulting, and information technology consulting. The sixth segment, management consulting, comprises an amalgamation of strategy, operation and human resources consulting.

Consultants engaged in strategy consulting provide the requisite consulting services for drafting of effective government policies; and development of meaningful strategies for businesses and corporations. Issues related to business, organisation and management are often handled by management consultants. Operation consultants provide useful advice in the areas of outsourcing and finance, performance on day-to-day operations, procurement, supply chain, and process management, among others.

Human resources consultants provide clients with advisory services on meaningful human capital development; and effective contribution of human capital to the attainment of organisational goals and objectives. Financial consultants are often called upon when clients are interested in restructuring; require actuarial, forensics and litigation services, and others. Technology consultants often provide the technology advice needed by organisations to ensure effective management and continuous improvement in their information technology infrastructure.



Figure 2: Main Segments and Key Service Areas

Figure 2 presents useful information on the essential services provided by consultants under a major segment. We identify five (5) key service areas under strategy consulting; and six (6) key service areas under information technology consulting. It is worth noting, the consulting segments and areas outlined in Figure 2 are not mutually exclusive, a consulting firm or consultant may engage in the provision of advisory services across segments and key service areas. A consultant may be knowledgeable in more than one area; this would afford the consultant chance to offer advisory services to varied clients with different consulting needs.

### 1.2. Problem Statement

In recent years, organisations have realised the constant need for third party expertise; and this affirms the significance of consulting services in the competitive global business environment. Generally, organisations engage the services of consultants to help address their challenges and implement prescribed solutions to ensure improvements in their performance.

Services provided by consultants in various professional fields have proven to be essential to the socio-economic development and growth of organisations and economies across the globe. Consultants provide the tutelage needed by various organisations to improve efficiency, effectiveness, productivity and overall operational performance. These significant contributions notwithstanding, activities of the consulting industry are believed to be muscled by a number of factors including attempts to uberize the consulting industry; and organisations' focus on cost of hiring consultants rather than the professional value consultants bring to the organisations.

Another worrying trend is the attempt by organisations to reduce consultancy to commodity and transactional type of interaction rather than being upheld as a professional service with a long-term characteristic or focus. Concerns have been raised about the fees charged by some consulting firms in the industry. For competitive reasons, firms in the consulting industry are believed to shroud their fees in secrecy. Consultancy.uk (n.d.c) estimates an hourly rate of £50 for operational level services; and an hourly rate of about £300 and above for consultancy in leading strategy. The advent of novel technologies is believed to result in loss of jobs by "human" consultants to "robotic" consultants in the near and distant future.

The general business problem is whether or not current and future consultants would possess the requisite professional and technological skill, and dexterity to effectively withstand and address challenges saddled with organisations in various industries while harmonising their fee structure and rewards. Though evidence of this phenomenon exists in the Ghanaian economy, limited scientific inquiry has been conducted to address it.

The specific business problem is how each consulting firm could carefully design and craft its operations to ensure transparency and competitiveness while adapting strategic measures that would eliminate or minimise the crowding-out effect of novel technologies on direct demand for the services of human professionals by organisations in the market place. The purpose of this research was to analyse the realities and misconceptions associated with the activities of professionals in the consulting industry.

### 1.3. Research Objectives

#### 1.3.1. General Objective

The main purpose of this research was to assess the realities and myths surrounding the operations of professionals in the consulting industry.

#### 1.3.2 Specific Objectives

Specifically, the present research sought to achieve the following objectives:

- Evaluate the contribution of consultants to the attainment of sustainable development and growth in organisations and economies.
- Assess the effect of robotic consultants on the demand for human consultants.
- Examine the effect of professional service delivery on the reward of consultants in the consulting industry.

- Make recommendations for improved service delivery to enhance development and success of professionals in the consulting industry.

## 2. Literature Review

This section presents a review of existing works relevant to the study. It begins with a brief theoretical framework and concludes with thematic discussions on scientific studies essential to the current research. Some of the themes discussed in this section include knowledge transfer through consulting, ethical standards in consulting, relevance of management and integrative consulting, and consulting trends among small and medium-scale enterprises (SMEs).

### 2.1. Theoretical Framework

Management theory facilitates our understanding of strategies often adapted by managers and supervisors to promote healthy relationship with their organisations. These strategies align with organisational goals through effective implementation and eventual realisation of stated goals or objectives or both. Further, management theory enhances our understanding of measures put in place by managers and supervisors to assure higher productivity through employee motivation. Based on the foregoing, management theory was considered a prototype for the current research. Specifically, the present study was theoretically framed around the scientific management theory propounded by Frederick Taylor (1856 - 1915).

Frederick Taylor's scientific management theory, often called Taylorism, emphasizes on the breakdown of manual tasks in a manufacturing environment into several parts to ease identification of the most preferred way of performing each task. The foregoing implies an organisation has the opportunity to train its employees to become experts in specialised areas; each task is considered specialised and discrete.

Today, economies across the globe can boast not only of specialised tasks in manufacturing organisations, but also the provision of specialised services in healthcare; finance, insurance, and banking; and in consulting services, to mention, but a few. The scientific management theory is pivoted around efficiency and productivity. That is, its focus is on how managers could harness the limited resources – human capital, financial resources, raw materials – at their disposal to minimise waste; and to ensure higher productivity.

#### 2.1.1. Responsibilities of Managers

Basic tenets of Taylorism require management to approach day-to-day operations with scientific methods rather than dwell on general rules of thumb or opinions; management must buy strongly into the scientific methods it advances for day-to-day operations; management members must not wield arbitrary powers; and management's co-operation with staff towards the realization of set objectives must be very paramount. It is essential for the organisation to select the desired staff and when necessary, provide the requisite training to assure higher employee job performance. In addition, managers are expected to pay close attention to time and motion. This would assure the adaption of best methods, and completion of tasks within stipulated times. It is imperative for management to set up a supervisory body or another body to assume responsibility of employees, other than actual job performance.

#### 2.1.2. Responsibilities of Employees

Employees are required to be diligent on their jobs to assure increased productivity and profit, so management could share part of the profit with them through increased wages and salaries. Employees must eschew protests and co-operate with management in the development of scientific methods to improve efficiency and productivity; and accept management decision to provide them with training to acquire novel ideas and improved skills to effectively adapt to their assigned positions. The theory requires employees to co-operate with managers in the determination of production specifics. That is, what must be done and how it must be done.

#### 2.1.3. Benefits

It is believed an effective implementation of Taylorism leads to increased productivity through improved work methods and practices; it ensures employees' compensation is tied with results. This compels employees to give of their best on the job to qualify for more remuneration and incentives. It becomes relative easy to measure tasks and procedures with high accuracy. Improvements in work methods, plant design, and other production essentials are facilitated by paths and processes measurements. Manager-employee relationship at the "bottom" level witnesses significant improvement as the former dialogues with the latter in the resolution of organisational and work-performance challenges. Significant improvements witnessed in the physical working conditions of employees in organisations, and development of contemporary job studies across the globe could be attributed to Taylor's classical management theory.

#### 2.1.4. Setbacks

Strict implementation of work methods and plant designs proposed by Taylorism limits employee's discretion; he or she is compelled to follow laid down methods and procedures with little or no modifications. Emphasis on division of labour leads to partition of work, creating little room for innovation and versatility. Since employee compensation is contingent on total units of production, employees' attention is focused more on economic gains (that is, producing more units) than on work interest. The scientific management theory arrogates more powers to managers and supervisors than to employees. Conflict in the workplace erupts when managers seek to exercise their powers with little or no recourse to employees. The "scientific" basis for measurement of jobs and determination of wage rates makes it difficult for employees to make realistic economic bargain.

### 2.1.5. Conclusion

The scientific management theory developed by Frederick Taylor has played an enviable role in the record of improved efficiency and effectiveness; and led to increased productivity in organisations and institutions in the private and public sectors of economies across the globe. The theory ensures a social equilibrium between management and employees. However, employees' ability to understand and "master" various aspects of a given job is often muscled. This theory was a subject for practical management implementation in the 1930s through the 1960s, with later improvements by Peters in the 1970s and 1980s; and Waterman in the 1980s and 1990s. These seminal writers stressed on the need for employees' contribution to day-to-day operations and decision making to be given strong considerations by management. This novel approach is termed as systems thinking (Health Knowledge, 2017). Dovetailing Taylor's scientific theory with the present research, one could state through the concerted efforts of consultants and managements, organisations across the globe could have an edge over their competitors through improved operational efficiency and effectiveness.

### *2.2. Knowledge Transfer through Consulting*

Jacobson, Butterill and Milbank (2005) reviewed existing literature and adapted the symbolic interactionism theory propounded by Blumer (1969), grounded theory advanced by Glaser and Strauss (1967) and Strauss (1987), and dimensional analysis developed by Caron and Bowers (2000) and Schatzman (1991) to develop a consulting model to explore effective utilization of consulting as a strategic means of transferring knowledge from consultants to clients in healthcare institutions. Data required for the study were gathered from the Health Systems Research and Consulting Unit of the Centre for Addiction and Mental Health, a teaching hospital affiliated with the University of Toronto in Canada. Findings from the research revealed a positive relationship between consulting and transfer of knowledge. That is, consulting is an effective means of transferring knowledge from consultants to clients. Findings from the research corroborated Weiss's (1979) model of knowledge use; and affirmed use of knowledge transfer as a prerequisite for funding academic research by most public granting agencies. Generalisability of the research findings may be hampered by extensive reliance on data from one consulting group. This notwithstanding, the research outcomes add to the existing body of knowledge in the area of human services consulting; the study could be replicated by other researchers to enhance its generalisability.

Jacobson et al. (2005) argue one way of ensuring effective transfer of interactive knowledge between decision makers and academics is by putting consulting into practice; effective use of practical consulting helps to promote enlightenment and interactive models of using knowledge, which may be uncommon to academic researchers relative to instrumental models. Jacobson et al. believe a considerable portion of existing literature in the field of consulting is centered on two distinct forms of practical consulting: providing consulting services for organisations, including all forms of management and information technology consulting; and providing consulting services for institutions engaged in human services such as programme and mental health consulting. The authors identified three significant factors that could necessitate use of knowledge in consulting projects. These include the underlying phenomenon or research problem and its related urgency; the unique traits and beliefs of clients and consultants in the ability to effectively transfer knowledge; and consultant's adaption of unique strategy or strategies that could court the client's participation and collaboration throughout the consulting process.

### *2.3. Ethical Standards in Consulting*

Mingaleva (2013) employed the panel survey design to analyse the principles of ethic inherent in consulting. The purpose of the research was to identify key problems inherent in consulting market formation in the Perm Region in Russia. The study sought to examine the impact of consulting on various economic activities in the Perm region. This study replicated earlier studies by Mingaleva (2004), Mingaleva and Hakimova (2005), and Mingaleva and Vasenina (2005) which examined the ethical dimensions of creative technology and advertising in the consulting industry. Theories of ethical behaviour in business developed by Beauchamp and Bowie (1988), Braybrooke (1983), Donaldson and Werhane (1988), Hoffman and Moore (1984, 1990), Manuel (1988), Nash (1984), Patten (1984), and Treitel (1999) were conceptualized and adapted in the study. Participants required for the study were drawn from consulting firms; they included managers and business leaders of consulting firms drawn from Perm Kray in the Perm region in Russia. The research involved administration of panel survey to about two hundred (200) respondents in fifty (50) consulting firms; and about three hundred and fifty (350) respondents in one hundred and twenty (120) enterprises in the Perm region.

Findings from Mingaleva's (2013) study revealed about 55% of clients and only about 47% of management advisers keep standards and principles related to confidentiality and ethics. Ethical behavior of management advisers is pivotal to sustainability of the relationship with clients - breach of ethics by management advisers leads to negative and destructive consequences; relationship between the consultant and client is strained by lack of trust of the former by the latter. The research outcomes indicated the ethical behaviour of consultants has a strong effect on the operations and economic fortunes of financial and banking institutions, small- and medium-sized enterprises, large industrial businesses, and institutional investors, among others.

Mingaleva (2013) identified challenges including lack of trust and breach of ethical principles and standards by consultants as affecting the effective performance and contribution of the consulting industry to strong economic development and growth; and the need to address these challenges to enhance investment opportunities, business expansion, and competitive advantage of businesses in the Perm region. The challenges identified by Mingaleva (2013) are not peculiar to the Perm region; they extend to other geographic jurisdictions. This accentuates the significance of the research outcomes and its contribution to the repertoire of knowledge in management consulting.

#### 2.4. *Relevance of Management and Integrative Consulting*

Brandon-Jones, Lewis, Verma and Walsman (2016) adapted a mixed methods approach to scientifically examine the effect of individual and firm level characteristics on professional service operations in the travel, tourism and hospitality sector in the United States of America. The authors sought to employ individual and firm level characteristics to demonstrate the heterogeneity of professional consulting services in the foregoing sectors. Brandon-Jones et al. (2016) categorised professional service operations into super-specialist, generalist, deep knowledge trader, and deep market trader. The research analysis included three hundred and eighteen (318) questionnaires completed by respondents through online survey, semi-structured interviews, and focus group discussions. The researchers adapted and implemented a best-worst choice experimental survey. Contrary to widely-held views of homogeneity in the operations of consulting services, findings from the study revealed significant variation in the activities and service delivery of consulting groups. This is consistent with Maister (1993) who affirms consulting services are a conglomerate of procedural work, portfolio of brains, and grey hair. The research outcomes revealed a positive relationship between level of expertise and interaction; a consultant with a high level of expertise spends less time with a client, and enhances his or her networking capabilities, vice versa.

Findings from the research depicted the passive and remoteness of consulting services as well as limited human interface. That is, the extent of face-to-face interaction between consultants and clients is limited; and often predicated on the phase or phases of commenced projects. Generally, the provision of consulting services is at the request of the client. The research outcomes revealed strong level of knowledge and mastery, and relative huge capital outlay are required in the successful operations of consulting services while the advent of improved technology necessitates the infusion of novelty and innovation into the operations of various consulting services in the United States and across the globe. Improved consulting services account, to a very large extent, for the sporadic infusion of information technology into the activities of businesses and institutions in the last twenty (20) years. Some noted academic infractions in the research include the limitation of primary data collection to the selection of ex-ante variables, and the decision to limit the study to one empirical context. The foregoing weakens generalisability of the research outcomes. This notwithstanding, the depth of Brandon-Jones et al.'s work adds, profoundly, to the existing body of literature in the realm of management consulting. The study could be replicated in other jurisdictions to enhance its generalisability.

Motamedi (2016) assesses the role of consulting typologies including integrated, legacy, conventional, organisation development and human resource, real time, and trans-organisation consulting in the socio-economic advancement of businesses in the global economy, which is characterized by intense competition, emerging industries, unprecedented challenges, and ever-changing technologies, among others. Motamedi (2016) notes over-reliance on organisation processes and techniques; and on legacy management is not sufficient to address the fast-paced challenges witnessed in the competitive global business environment. In addition, prolonged strategic planning and designs often recommended by professional service providers as effective tools for organisational control and command are now perceived as not only slow, but also out-dated and irrelevant.

Motamedi (2016) believes collaborative and competing firms require actionable decisions at various levels within their establishments and across networks to assure the resounding success of their internal operations; and their ability to remain in business as a going concern over a considerable period of time. Quick response and solution to challenges saddled with organisations in the ever-changing global business economy are essential tools for their economic survival. The author avers consultants' ability to add economic value to the operations of organisations is predicated on their ability to identify, educate, facilitate, and guide the participation of key stakeholders and decision makers through competent social dialogue. He argues such initiatives are essential to the establishment of productive relationships; and integrative consulting provides more favourable results in fast-changing complex business environments than legacy consulting.

Consistent with Brandon-Jones et al., Motamedi (2016) believes the advent of improved technological standards in the business world calls for a paradigm shift from the orthodox or traditional approach to consulting service delivery to strategic and innovative ways of providing cutting-edge services for clients. Thus, providing timely and accurate solutions to an organisation's challenges is essential to strong reputation for the consulting firm; and a tremendous opportunity for the client to derive competitive and economic advantages.

#### 2.5. *Consulting Trends among SMEs*

Nicolescu and Nicolescu (2016) examined the role of management consultancy services in the promotion and development of small- and medium-scale enterprises (SMEs) in Romania. The authors argued a nation's effective transition from industry-based to knowledge-based economy is predicated on the proliferation and intensification of consultancy services in her various sectors. Nicolescu and Nicolescu (2016) deepened readers' understanding of different typologies of consulting, including management consulting; and help SMEs to access and appreciate consulting services as essential tools for their accelerated expansion and growth. The authors believe tailoring consulting services to suit the needs of SMEs is useful to their operational success.

Nicolescu and Nicolescu (2016) differentiated between managerial-entrepreneurial counselling and managerial-entrepreneurial consultancy in the consulting industry. The former is believed to be less laborious and less technically demanding relative to the latter; counselling services are often provided at no cost to the client whereas consultancy services usually attract a fee, irrespective of the complexity and scale. The authors noted it is often difficult to decouple counselling from consultancy services since counselling services provided by consultants to SMEs helps the former to demonstrate mastery, competence, skill and dexterity; and to promote their consulting business to the latter. The foregoing implies consultants employ counselling as an effective marketing tool to "sell" their consulting business to large corporate bodies and SMEs. The authors affirmed consultants vary their professional services to meet the heterogeneous

needs of SMEs. This confirms findings from Brandon-Jones et al.'s empirical research which revealed consulting services are not homogeneous, but heterogeneous in professional character.

Generally, SMEs would engage the services of a consulting firm if it is readily accessible, the consulting task can be accomplished in a relatively short period of time, workload is not too heavy, cost of consulting service is relatively affordable, consulting service is effective, educational dimension of the consulting services is very strong, generation of economic results in a relatively short period is assured; and contributes immensely to the economic and competitive advantage of SMEs (Nicolescu and Nicolescu, 2016). This indicates cost-benefit analysis gains prominence in the decisions of SMEs to engage the services of consultants.

Nicolescu and Nicolescu (2016) found a declining trend in the use of consulting services in Romania. Their study revealed over 50% of large businesses incorporated in Romania engages the services of consultants to enhance their growth potentials. Conversely, very few SMEs consider consulting services in their scheme of operations. Earlier study by Nicolescu, Popa and Nicolescu (2014) revealed less than 7% of SMEs engage the services of professional consultants in Romania. This suggests the popularity of consulting services among SMEs in Romania is still at its nascent stage. However, findings from Nicolescu and Nicolescu (2016) and the attendant recommendations are expected to increase awareness and draw consulting services to the "door steps" of SMEs in the Romanian economy and beyond. Nicolescu and Nicolescu's (2016) study is flawed by the absence of literature review, clear research methodology, and succinct presentation and discussion on the research findings. In spite of the foregoing research limitations, Nicolescu and Nicolescu (2016) revealed the level of progress made by the Romanian economy in the advancement of consulting services.

### 3. Research Methodology

The present study relied on the quantitative approach to scientific inquiry. Specifically, a cross-sectional design, an example of survey design, was adapted and used in the research. This allowed the researcher to gather relevant research data over a specific period of time (Ashley, Takyi & Obeng, 2016; Creswell, 2009; Frankfort-Nachmias and Nachmias, 2008). Data required for the research were obtained from secondary sources including text books, journals, research papers, newspaper publications; and Google Search Engine, among other relevant sources.

#### 3.1. Units of Analysis

The units of analysis in the current research included the various categories of professionals identified in the consulting industry. Thus, the units of analysis comprised global strategy consulting firms, strategy boutiques, global functional specialists, the big four, national or regional functional specialists, small and mid-sized technology players, mid-sized global accountants, global technology firms, and independent contractors.

#### 3.2. Analytical Tools

Descriptive statistics and regression models were used to describe the research variables; and to evaluate their behaviour over a given period in the consulting industry. Measures such as standard deviation and range were employed to describe the extent of dispersion about the central tendency (Ashley et al., 2016; Creswell, 2009; Frankfort-Nachmias & Nachmias, 2008). Regression statistics were generated to explain the R square, Adjusted R square, and Standard error values, among other significant statistical measures.

#### 3.3. Research Variables

The independent research variable included all categories of consulting firms in the consulting industry while the dependent research variable was the relative effect of the professional dispositions of consultants on their average earnings per year.

#### 3.4. Regression Model

The one-way analysis of variance (ANOVA) was adapted to measure the effect and level of interaction between the professional dispositions of consultants and their earnings in the consulting industry. The Microsoft Excel analytical software was used in the research. Diagrams and tables were derived from Microsoft Excel to explain the research data.

The ANOVA is given by the formula:

$F = MS_{\text{between}} / MS_{\text{within}}$ , in which

$MS_{\text{between}} = SS_{\text{between}} / df_{\text{between}}$ ;

$MS_{\text{within}} = SS_{\text{within}} / df_{\text{within}}$

Where:

MS = Mean squared

SS = Sum of squares

The degrees of freedom (df) under the ANOVA is computed as follows:

degrees of freedom (total) =  $n - 1$

degrees of freedom (between) =  $k - 1$

degrees of freedom (within) =  $n - k$

Where:

$n$  = Sample size

$k$  = Number of groups or levels



### 3.5. Research Hypotheses

The study tested the causal relationship between the professional delivery of consultants and their (financial) rewards using the following null and research or alternative hypotheses:

- $H_0: \mu_1 = \mu_2$ ; this implies professional dispositions of consultants have no strong positive effect on their average earnings.
- $H_1: \mu_1 \neq \mu_2$ ; this implies professional dispositions of consultants have a strong positive effect on their average earnings.

## 4. Research Findings and Discussions

### 4.1. Rankings of Consulting Firms

A major qualitative characteristic of the consulting industry is reputation. Firms in the consulting industry hold on to reputation as an invaluable asset; they guard jealously against their reputation. Reputation forms the basis for determining the best consulting firm by clients, existing employees and new talents.

In addition to best reputation, stakeholders in the consulting industry consider the best service, best employer and other awards and rankings. Figure 3 presents four distinct rankings and awards; and four distinct key stakeholder groups who influence the determination of awards and rankings in the consulting industry.

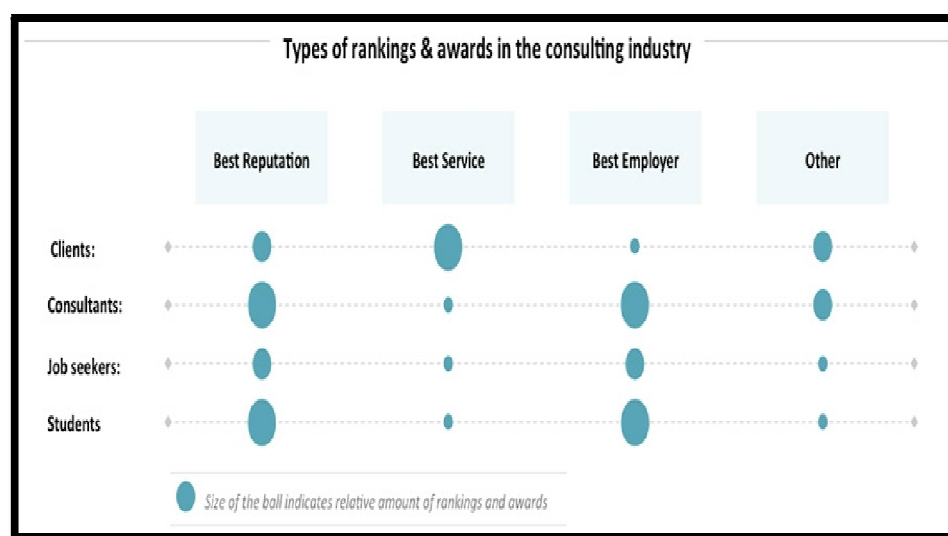


Figure 3: Rankings and Awards in the Consulting Industry

#### 4.1.1. Best Reputation

This is one of the important metrics in the consulting industry. It focuses on the prestige of consulting firms, with special emphasis on their reputation and image in the market place. Figure 3 indicates rankings in this category are largely based on the input of students and consultants. The contributions of clients and job seekers to this category are relatively minimal.

#### 4.1.2. Best Service

This award category centres heavily on the quality of service delivered to clients. Therefore, it comes as no surprise that clients are overwhelmingly the major contributor to the ranking of consulting firms as the best service provider. Consulting firms are ranked based on their service offerings, best practices, timely execution of projects and track record. The contributions of consultants, job seekers and students to the award of best service provider are very minimal.

#### 4.1.3. Best Employer

Human resource metrics such as work-life balance, career opportunities, corporate culture, compensation and benefits, among others, form the basis for ranking consulting firms in this category. Consultants and students are the foremost referenced groups in this award category; consultants and students account for majority of the rankings in this category. Best employer rankings are categorised into two: Rankings involving many industries, including management consulting. Examples include The Sunday Times' "100 Best Companies" and The Great Place to Work's "Best Work Places." And rankings held in the consulting industry. An example is the Consulting Magazine's "Best Firms to Work For."

#### 4.1.4. Other

Several other organisations and institutions conduct rankings on consulting firms to evaluate the quality of their service delivery. These institutions may rank consultants and staff of consulting firms individually; and conduct separate rankings on different industries. As depicted in Figure 3, rankings in this category are essentially based on the contributions of clients and consultants.



#### 4.2. Fees and Rates

The research findings revealed due to competitive reasons, fees charged by consultants are often not disclosed; the fees are often shrouded in secrecy. This notwithstanding, fees charged by consultants vary from one client to another, and from one geographic region to another. For instance, in the United Kingdom, an interim operational level consultant may charge £50 per hour while a consultant working with a leading strategy consulting firm may charge £300 or more per hour. However, in Ghana, the rates may differ; in Ghana, consultants may not charge clients on an hourly basis; fees to be paid by a client may be determined as a percentage (usually between 1% and 5%) of the total amount to be earned by the client. Where the project has no direct monetary involvement, the consultant's fee may be determined by the volume of work presented by the client.

An outline of fees charged by various firms in the consulting industry is presented in Figure 4. As depicted in Figure 4, firms in the consulting industry can be grouped into Global Strategy Consulting Firms, Strategy Boutiques, Global Functional Specialists, The Big Four, National or Regional Functional Specialists, Small and Mid-sized Technology Players, Mid-sized Global Accountants, Global Technology Firms, and Independent Contractors (Consultancy.uk, n.d.c).

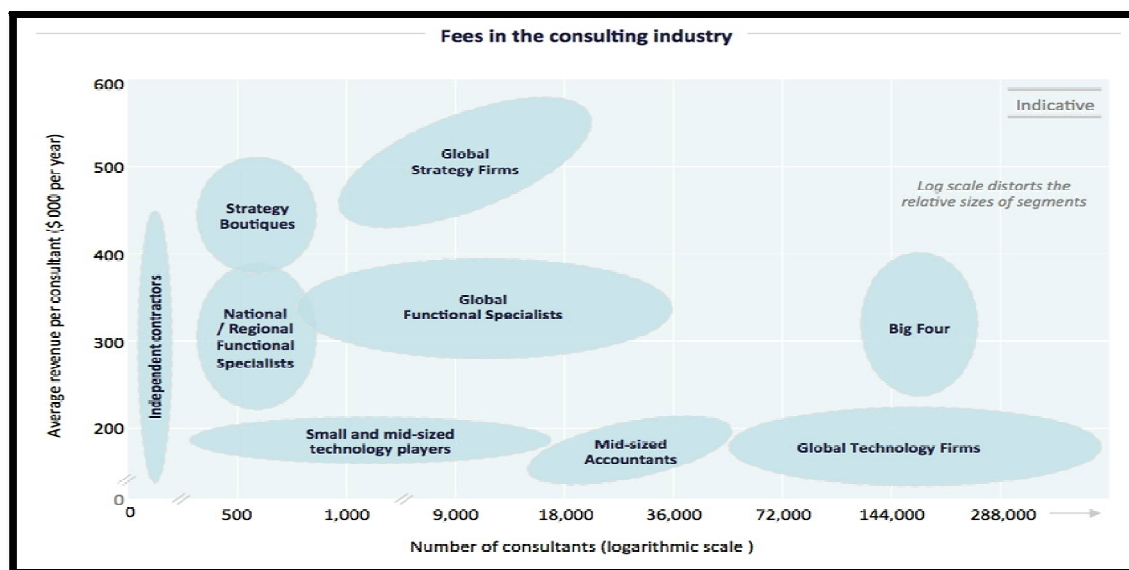


Figure 4: Fees in the Consulting Industry  
Source: Consulting.Uk

##### 4.2.1. Global Strategy Consulting Firms

This category includes firms such as Boston Consulting Group, Bain & Company, Roland Berger, A.T. Kearney, and McKinsey & Company, among others. Firms in this category charge the highest consulting rates. McKinsey & Company is the largest firm with an estimated number of 17,000 employees.

##### 4.2.2. Strategy Boutiques

Firms in this category charge the second highest consulting rates. They include high-end consulting firms with a national or regional focus or both.

##### 4.2.3. Global Functional Specialists

Examples of consulting firms in this category include Navigant, FTI Consulting, Hay Group, Willis Towers Watson and Mercer. Hay Group, Willis Towers Watson and Mercer specialize in the area of human resource. Navigant and FTI Consulting provide expertise advice in the area of finance. It is believed each consulting firm rakes in between \$300,000 and \$400,000 per year in terms of revenue.

##### 4.2.4. The Big Four

Firms in this category include Price water house Coopers, KPMG, Ernst & Young, and Deloitte and Touche. These firms charge competitive fees for their consulting services. Their fees are usually within the same range. Generally, higher fees are charged for strategic management advisory services while lower fees are charged for operation-related advisory services.

##### 4.2.5. National or Regional Functional Specialists

Key factors such as track record, service portfolio, reputation and functional focus, among others, influence the determination of fee structure for firms in this category. Fees charged by consulting firms in this category are not distinct from those charged by their larger global counterparts and the Big Four consulting firms mentioned earlier.

##### 4.2.6. Small and Mid-Sized Technology Players

Although firms in this bracket vary in size, they charge comparable fees in the industry. Firms in this category range from small companies that employ about ten employees to mid-sized companies that employ thousands of employees.

#### 4.2.7. Mid-Sized Global Accountants

Firms in this group provide accounting and tax services as well as corporate finance and other consulting services. The term is used to describe the top twenty (20) global professional services providers. Rates charged by firms in this category are higher than those charged by technology experts. The fee disparity could be attributed to the provision of additional services by the former.

#### 4.2.7. Global Technology Firms

Companies in this category provide technology-related services for their clients. Some notable firms in this category include Atos, Accenture, Capgemini and CGI. Like the other categories, management advisory services performed by companies in this category are costly. Fees charged by firms in this group are comparable to those charged by the Big Four and Functional Specialists

#### 4.2.8. Independent Contractors

This is arguably the largest category in the consulting industry. It comprises active, self-employed consultants in the consulting industry. Annual earnings in this category range from \$50,000 for operation consultants to \$400,000 and more for executive consultants. With the exception of the public sector, there is no ceiling on how much a consultant could charge for a rendered service. The consultant could use prevailing economic conditions to determine the fee to be charged. The consultant could assess the financial strength of a client and use that as a basis for determining fees to be charged. This approach may be very helpful when the client is not financially sound enough to afford higher fees.

#### 4.3. Descriptive Statistics

Values for the number of consultants based on the "algorithm scale" in Figure 4 (x-axis) were approximated to 300,000 and spread among five distinct intervals – 1-60,000; 60,001-120,000; 120,001-180,000; 180,001-240,000; 240,001-300,000 – to ensure consistency and uniformity in the use of variables in the analysis. These intervals were applied to the Descriptive Statistics in Table 1. Numbers 1 through 5 on the x-axis in Figure 5 represent the foregoing interval values. Consistent with the preceding explanation in this section, Figure 5 depicts variation and steady increase in the average earnings, on yearly basis, of professionals in the consulting industry. *Ceteris paribus*, the nature of task, and the level of skill and dexterity required to execute a given job influence the financial reward expected by the professional; simple task and minimal technical commitment may result in less fee charges, vice versa.

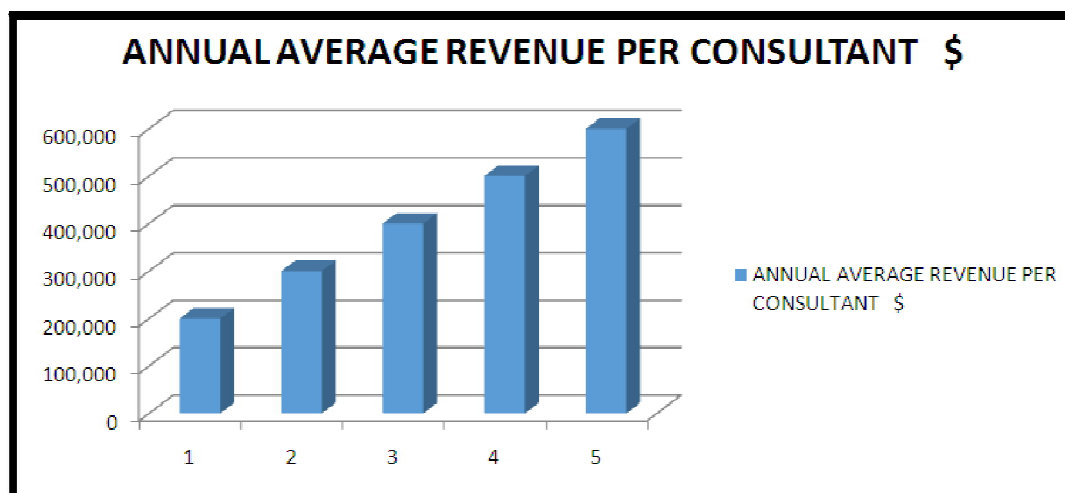


Figure 5: Consultants' Annual Average Revenue in Thousands Of US\$

A statistical description of average earnings of professionals in the consulting industry is presented in Table 1. Data in Table 1 depict respective standard error and kurtosis values of 70710.68 and -1.2. The extent to which the coefficients are significantly different from zero is explained by the standard error value (70710.68). Data in Table 1 indicate skewness of the distribution is zero while the sample variance is 25000000000. The statistical output in Table 1 shows an identical value of 400,000 for the range, median and mean.

<b>Annual Average Revenue Of Consultants (Thousands Of US\$)</b>	
Mean	400000
Standard Error	70710.67812
Median	400000
Mode	#N/A
Standard Deviation	158113.883
Sample Variance	25000000000
Kurtosis	-1.2
Skewness	0
Range	400000
Minimum	200000
Maximum	600000
Sum	2000000
Count	5
Largest(1)	600000
Smallest(1)	200000
Confidence Level (95.0%)	196324.3161

*Table 1: Descriptive Statistics on Consultants' Annual Average Revenue*

#### 4.3. Market Analysis of Consulting Firms

Consultants are noted for often providing continuous trend analysis and forecasts for their clients in other industries, but seldom do same for the consulting industry. However, it is believed the trends affecting other industries have permeated the consulting industry. Findings from the study revealed some key factors impacting adversely on the activities of professionals in the consulting industry. Each of these factors is summarized in the following section.

Unstable economic conditions compel corporations to cut-down cost to break-even or derive marginal profits. As a result, more corporations are resorting to use of transactional style and freelance consultants in projects. Corporations' engagement of consultants on a full-time basis is very minimal in recent times. Interestingly, corporate executives are more focused on the cost of engaging the services of a consultant than the value the latter could bring to the organisation. Companies in other industries seem to substitute transactional style engagement for long-term professional relationship with consultants. This is often referred to as the Uberisation of consulting.

Emergence of companies such as Wikistrat and HourlyNerd in the market is likely to affect organisations' direct interactions with and maintenance of long-term relationship with professional consultants. For instance, Wikistrat is credited with accurate prediction of the rise of a separatist movement in Crimea. This movement sought an annexation with Russia. Wikistrat's prediction was unequaled by the American Criminal Intelligence Agency (CIA). This feat has enhanced the credibility of the former, and attracted many stakeholders to its website. Today, businesses are more interested in partnering freelance consultants to provide lasting solutions to problems affecting their development and growth. Wikistrat has created a common technological hub where businesses and freelance consultants meet to interact. The foregoing development has compelled consultants to resort to Wikistrat for immediate employment. The need for frequent and challenging travel by consultants has been limited by Wikistrat and HourlyNerd; most information needed by consultants is readily available on their websites. Consultants can choose from variety of projects on the website of Wikistrat.

The advent of improved technology and introduction of sophisticated analytical software to the consulting industry are believed to affect the employment fortunes of consulting professionals. For example, Deloitte and Touche recently introduced the Deloitte Digital to provide innovative solutions to clients on a continuous basis. This notwithstanding, the need for contribution of human experts to the successful resolution of problems cannot be over-emphasized. The preceding statement implies the services of consultants would continue to be useful to the business community. The ingenuity of consulting experts would be required to effectively analyse and interpret data gathered and churned out by the various software. An amalgamation of technology and human capital is essential to the resolution of challenging business problems.

#### 4.4. Realities of Consulting

The research findings revealed ushering individuals into the consulting profession and their continuous development and growth in the profession hinge on understanding of certain key principles. Consultants must identify and embrace certain key factors that could impact their success in their chosen profession. Generally, the consultant is expected to understand the reasons underlying his or her decision to venture into the consulting profession; and be open to novel ideas, guidance and assistance from others; carefully choose his or her specialised field since this may be the consultant's life time job, or run the consultancy business alongside other job(s); be prone to listening more, and talking less; the consultant must have a listening ear. He or she must allow clients to do most of the talking while listening attentively and proffering "mental" solutions to the problems. Here, the consultant is expected to apply the principle of "use your two ears and one mouth;" establish internal and external networks to provide the requisite support and guidance for current and future careers; be susceptible to change. Generally, the dynamic and competitive nature of the global business environment makes change an inevitable part of a professional's career; be passionate about the chosen professional career. The consultant must develop strong interest and commitment to the consulting profession; adjust to

the consulting profession. A new entrant may require some amount of time to effectively adapt to the consulting environment and its challenges; know that he or she is not the central embodiment of wisdom; the consultant may not have answers to all questions likely to be posed by clients. To this end, the consultant must be humble to admit he or she does not readily have an answer to a challenging question and that, he or she would research on, or inquire about it and get back to the client; be open to continuous learning. Learning is an on-going process. As a result, the consultant must avail him- or herself to learning new conventions and innovations in the field of consulting; and pay attention to his or her personal health. The consultant must strive to stay healthy at all times and remember that, the consulting journey is a marathon, not a sprint. This means consulting is a life-long process, not a transient or an adhoc profession.

Consulting is often described as a profession for the younger generation because it requires a lot of energy. Indeed, travelling across the length and breadth of the country, and across the globe would require a lot of energy, in addition to time and financial commitments. The implication is, the consultant must "cumulate" enough energy to effectively withstand the test of "travelling times."

#### 4.5. Myths of Consulting

Some of the misconceptions surrounding the activities of professionals in the consulting industry are relatively not strange; misconceptions are a common place in other disciplines across the globe. In the world of business, fads, untested theories and myths abound. Strongly held myths subtract from (but do not add to) upward growth of consulting firms. The following are some identified myths from the research and how consulting professionals could overcome them to advance their economic and professional cause.

- Myth 1: I am not the leading expert. The consultant believes he or she did not win the right to a given contract because he or she is not the best expert in the specialised field. As a result, the consultant becomes demoralised. Fact: What is worth remembering is the so-called leading expert was once in the consultant at issue's position. The difference is the leading expert did not give up when the professional "highway" was bumpy. Rather, he or she thought it necessary to press on towards the ultimate goal, which is becoming the strongest force to reckon with in the consulting industry. If at first you do not succeed, TRY AGAIN.
- Myth 2: Large companies are more useful to the growth of consultancy firms than small companies. Fact: This is untrue since growth correlates positively with more consultations.
- Myth 3: Engaging in clever (crafty) advertising is the surest way to professional success. Fact: The fundamental gateway to success in consulting is effective (real) advertising, that is, effective interaction and excellent professional service delivery to customers; engaging in clever advertising serves as an addendum to the exposure of the distinctive assets, which are the firm's brands, through effective advertising.
- Myth 4: Revenue and growth would be negatively affected by provision of free content to clients. Fact: Providing free content serves as an effective way of attracting new clients at a low cost. Thus, provision of free content serves as an effective means of advertising your consulting firm at the least cost.
- Myth 5: Seeking to attract new clients would cost about five (5) times more than the cost of retaining existing customers. Fact: The growth of the consulting firm's brand would suffer a set back if efforts are not made to expand the clientele base. Consequently, in as much as it is good to retain existing clients, it is equally important to strive to attract new ones. The consultant must remember, "The presence of varieties of fish in a soup" they say, "does not negate its taste. Rather, it enriches it!!!"
- Myth 6: Large companies who sign lucrative contracts with consulting firms are more likely to propagate the professional exploits of the consulting firm through word-of-mouth than small companies who provide less lucrative contracts. Fact: The foregoing assertion is tenuous in that, it would take an enthusiastic client to propagate the good professional exploits of the consulting firm, not necessarily large companies who sign lucrative contracts with the consulting firm.
- Myth 7: It would be useful to focus time, energy and attention on only companies that would provide contractual assignments. Fact: It is important to delimit the consulting frontiers to include top-tier corporations, non-profit organisations, small- and medium scale enterprises (SMEs) as well as state-owned enterprises (SOEs) to assure growth in revenue and size of the firm.
- Myth 8: Management consultants must always focus their attention on the members of executive teams they work with in organisations. Fact: Due to other pressing commitments, executive team members of organisations may not be able to always meet with management consultants. In some cases, a line manager may be asked to act in the stead of the executive team; line managers may work with consultants in general to achieve the desired goal. Interactions with line managers should be seen by consultants as an opportunity to add to their repertoire of networks.
- Myth 9: Consultants travel across the globe at the expense of their clients (mostly organisations). Consultants travel in first-class flights, eat in five-star restaurants, and spend the travel night(s) in five-star hotels. Generally, consultants' lifestyles are characterized by glamour. Fact: The travel expenses of consultants may be fully or partially borne by the client. Even when sponsored by clients, consultants may not always find themselves in five-star hotels or restaurants; they may not always travel in first-class flights.
- Myth 10: In their quest to complete clients' projects on schedule, consultants spend sleepless nights. Fact: In some cases, consultants go the extra mile to complete contracted projects for their clients. However, different projects have different dynamics and requirements. Accordingly, some projects may be more demanding and require more time than others.

Myth 11: The “up or out” principle is intended to rid the consulting profession of good individuals. Fact: The up or out concept is designed to encourage consulting professionals to strive, constantly, for improvement in their spheres of professional endeavours. Stated differently, the up or out principle seeks to discourage consulting professionals from resting on their oars; it seeks to challenge them to achieve higher laurels. This is often described as the survival of the fittest.

- Myth 12: Spending a longer period on a project is indicative of how difficult, technical and complicated the project is. Fact: Usually, the time spent on a project is dependent on the expertise of the consultant. This presupposes that a consultant with a rich experience in a given project may spend less time to execute it, vice versa.

#### 4.6. Results

The research findings in section 4.2 revealed different categories of firms in the consulting industry; and variations in their average earnings per year. The average earnings of consulting firms range from US\$200,000 to US\$600,000. Data on the estimated number of employees accessed from Consulting.uk (n.d.c) and presented in Figure 4 were used in the analysis. The highest value for the number of consultants (288,000) was rounded to 300,000 and presented at an interval of 60,000 (60,000; 120,000; 180,000; 240,000; 300,000) to be consistent with the five distinct values (US\$200,000; US\$300,000; US\$400,000; US\$500,000; US\$600,000) available for the average earnings of consultants on a yearly basis. A regression analysis of the foregoing data is presented in the following section.

##### 4.6.1. Model Summary

The summary output in Table 2 presents an overall description of the regression model. The summary constitutes a significant aspect of a regression model. Tables 1 through 3 present results for the ANOVA. Values for R, R<sup>2</sup>, and Adjusted R<sup>2</sup> are displayed in Table 2. The value of the multiple correlation coefficients between the independent variable and the dependent variable is presented in the R row. The R<sup>2</sup> value in Table 1 indicates the extent to which variability in the dependent variable is accounted for by the independent variable. The R<sup>2</sup> value (0.9899) implies the dispositions of professionals in the consulting industry account for about 99% ( $0.9899 \times 100\% = 98.99\%$ ) of the variation in their average earnings per year. The results suggest only about 1% ( $100\% - 99\% = 1\%$ ) of the outcome is explained by external random factors.

Regression Statistics	
Multiple R	0.994936676
R Square	0.98989899
Adjusted R Square	0.73989899
Standard Error	22360.67977
Observations	5

Table 2: Summary Output

Table 2 depicts an adjusted R<sup>2</sup> value of 0.7399. One of the measures that determine the generalizability of the regression model is the adjusted R<sup>2</sup>. An ideal adjusted R<sup>2</sup> value is closer to zero or the R<sup>2</sup> value. The adjusted R<sup>2</sup> value (0.7399) is not significantly different from the observed value of R<sup>2</sup> (0.9899) implying the cross-validity of this regression model is high; the model may accurately predict the same dependent variable from the given independent variable in a different group of participants (Field, 2009, p. 221). The F-ratio (392) in Table 3 shows a significant value ( $p = 0.000, p < 0.05$ ).

##### 4.6.2. Anova

Generally, researchers rely on the ANOVA to determine whether or not regression analysis provides better and significant prediction on the outcome than the mean. Data in Table 2 show degrees of freedom (between) of 1 ( $2 - 1 = 1$ ); degrees of freedom (within) of 3 ( $5 - 2 = 2$ ); total degrees of freedom (df) of 4 ( $5 - 1 = 4$ ); and an F-value of 392.

	df	SS	MS	F	Significance F
Regression	1	1.96E+11	1.96E+11	392	0.000281558
Residual	3	2000000000	500000000		
Total	4	1.98E+11			

Table 3: ANOVA

Data on the model sum of squares (SSM) value, represented by Regression; the residual sum of squares (SSR) value, represented by Residual; the total sum of squares (SST) value, represented by Total; and the degrees of freedom (df) for each group of squares are presented in Table 2. The sum of squares divided by the degrees of freedom gives us the mean squares (MS). That is,  $1.96 \div 1 = 1.96$ . The degrees of freedom for the SS are 1. This represents the independent variable.

##### 4.6.3. Model Parameters

Table 4 presents results on the parameters of the regression model. The constant value for the data analysed in this section was set at zero. Data in the table show the coefficients, standard error, test statistic, significance, and

confidence intervals for the coefficients. The coefficients in Table 3 reveal the contribution of the independent variable to the regression model. Generally, a positive coefficient connotes a positive relationship between the independent variable and the dependent variable; a negative value symbolizes a negative relationship between the two variables. Results in Table 3 show a positive coefficient value (0.46666667). This means there is a positive relationship between effective dispositions of professionals in the consulting industry and their average earnings; the results suggest the independent variable has a significant influence on the dependent variable.

The magnitude of the t-test in Table 3 tells us the independent variable has a strong impact on the dependent variable. A standard error is identified with the coefficients in the table. The standard error shows the extent to which the coefficients would vary in different research samples (Field, 2009). The Upper 95% value for the X Variable 1 in Table 3 is 0.532108105.

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	0	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A	#N/A
X Variable 1	0.46666667	0.023570226	19.79898987	3.8391E-05	0.401225228	0.532108105	0.401225228	0.532108105

Table 4: Model Parameters

#### 4.6.4. Report on P-Value and Confidence Interval

Tables 3 and 4 depict respective P and coefficient values of 0.000 and 0.467. These values are significant at Alpha level  $\alpha = 0.05$ . Table 3 shows a confidence interval of 0.401225228 and 0.532108105. The Alpha level, a priori, for this study is  $\alpha = 0.05$ . This implies there is a 5 per cent probability that we would be wrong; there is a 5 per cent likelihood that the population mean would not fall within the interval (Bowerman, O'Connell, and Orris, 2004; Frankfort-Nachmias and Nachmias, 2008). However, we are 95% certain that our conclusions would be right. Again, the Microsoft Excel output in Table 2 shows degrees of freedom (between) of 1 ( $2 - 1 = 1$ ); degrees of freedom (within) of 3 ( $5 - 2 = 3$ ); total degrees of freedom (df) of 4 ( $5 - 1 = 4$ ); and an F-ratio of 392. These values could be interpreted as:  $F(1, 3) = 392, p > 0.05$ , two-tailed.

#### 4.6.5. Interpretation and Rejection of Null Hypothesis

The foregoing results indicate professionals who discharge their duties creditably and diligently in the consulting industry tend to receive higher rewards from clients, vice versa. Therefore, we reject the null hypothesis ( $H_0: \mu_1 = \mu_2$ ), and accept the alternative hypothesis ( $H_1: \mu_1 \neq \mu_2$ ) which states that professional dispositions of consultants have strong positive effect on their average earnings.

### 5. Recommendations

Generally, the path to success in consulting is predefined: working diligently and in concert with others enhance the consultant's chances of quickly climbing up the success ladder in the consulting profession. The following are some essential qualities that could ensure the success of the consultant; and assure his or her possible emergence as the "best" in the consulting profession.

- The consultant must adhere strictly to his or her promises to clients; must ensure projects are completed on schedule to help build the requisite credibility and trust among his or her team and clients. The consultant must have strong knowledge in the discipline to help team members in the areas of Power Points, organisation of projects and taking notes. Meeting project deadlines enhances the consultant's chances of securing new contracts or projects. This means the consultant must be the firm's "pair of hands" with the "magic wand."
- Presentation of final projects devoid of error(s) is indicative of the consultant's attention to details; it enhances trust reposed in the consultant by his or her clients. Usually, clients' trust in a consulting firm increases when final projects handed to them are free from grammatical errors and spelling mistakes; when computations in the project are thorough, error-free and carefully presented. In essence, it is imperative for the consultant to pay close attention to project details.
- The consultant may have multiple talents to fit into several specialised areas. However, it is important to assess the market to identify a specialised area that is in "hot" demand, but has limited or no expertise to effectively execute clients' projects. These notable areas may include advanced financial modeling, novel marketing strategy and communication skills. Such an initiative would make the consultant the "hottest commodity" in the consulting industry. Knowledge in Power Points, Excel and Microsoft Word is paramount.
- It is imperative for the consultant to subject a given project to critical thinking before commencing. Consultants who consider problems carefully are able to develop better insights and proffer meaningful solutions to those problems. Consultants who embark on a critical thinking "journey" are often distinguished from their peers; they provide qualitative meaning to quantitative data presented in reports to clients with relative ease. Such a stride is likely to propel the consulting firm to another level – from good to great, and from great to exceptional.
- The consultant is likely to be saddled or presented with a project that is completely new to him or her, or new to the consulting industry. This problem may not only be new, but very challenging. Here, the success of the consultant would hinge on his or her resourcefulness. The consultant's creativity and quick resolution of difficult problems would be his or her trump card. Resourcefulness, here, refers to the consultant's ability to mobilise the requisite skill, acumen and expertise to address a given problem. As a rule of thumb, the consultant is expected to

approach his or her team and manager for solutions. If the problem persists, the consultant would approach peers and other internal experts; and extend to external experts when necessary.

- Although an emphasis is placed on the word “new,” there may be an expert who has ever addressed similar problem(s) and may be in a very good position to offer cogent suggestions. Brainstorming ideas with such an expert would help complete the project earlier than expected. Consultants saddled with very challenging projects should desist from throwing in an “early towel.” They must embrace the challenge to serve as strong and positive model to their team members. They must believe there is light at the end of the tunnel.
- Providing meaningful solutions to clients’ problems is predicated on strong understanding of the problems on hand. To this end, it behoves the consultant to ask all the relevant questions and demand answers from the client. Through this approach, the consultant would appreciate and understand the client’s problems. This would effectively inform the strategy to be adapted to resolve the client’s problems.
- Asking all the relevant questions to emerge with productive and economically useful project is better than keeping mute and delivering a poor work. The term, relevant, is relative. However, the consultant must carefully consider the psychological state of the client to ensure questions are posed in ways that are subtle, helpful and non-irritating. Questions related to formulae and acronyms may be answered using Google rather than approaching the client.
- Multiple questions could be structured and presented to the client at a given time to respond and return to the consultant. This is better than the repeated approach. The consultant may wait to collect the questionnaire, depending on the volume of questions and the corresponding responses expected from the client. A mutual agreement between the consultant and client would ensure all questions are asked and responses provided in a peaceful manner.
- The consultant must continually avail of him- or herself to learning to be abreast of current happenings and dynamics in the consulting industry to assure the provision of contemporary and state-of-the-art consulting services for clients. Learning is a continuous process; the advent of new technological developments and innovations in the world of business calls for “craftiness” in the approach to service delivery by consultants to their clients. Novel assignments may not necessarily provide the desired results at the first instance. However, such a setback should be used as a springboard for improved performance in the same and similar commitments in the near and distant future. Consultants who adhere to this basic principle are more likely than not to have an edge over their rivals in the competitive consulting business environment.
- No consultant is presumed to be the central embodiment of wisdom. To this end, a consultant must be prepared to tap into and share ideas with other consultants in the same office, department, organisation, and the consulting industry. Consultants must muster courage to ask all the relevant questions of the clients and colleagues to assure efficiency and effectiveness in their professional service delivery.
- Consultants who wish to achieve remarkable success in their chosen profession must be committed to listening; and building meaningful and healthy relationship with their clients. As noted earlier, consultants who adhere to the foregoing principle are likely to transform their consulting firms from good to great; and from great to exceptional. Success in the consulting industry comes at a price; success in the consulting world thrives on a lot of skill and intellectual ingenuity.
- Strong knowledge about a client’s changing needs and desires helps the consultant to address the client’s problems with relative ease. This is likely to increase referrals from existing clients to enhance the revenue generation efforts of the implied consulting firm and its consultant or consultants; a consultant who remains focused and resolute is likely to soar above his or her peers in the consulting industry.
- In spite of the recurring economic challenges across the globe, the role of consultants in the effective development of contemporary and future businesses and national economies cannot be over-emphasised. This makes it imperative for experts and trainees in the consultancy industry to equip themselves with the requisite knowledge, skill and dexterity to ease their identification of challenging problems and proffer effective solutions that would inure to the economic benefit of all parties and stakeholders.

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