



## Consulting Careers Overview

A guide to the structure, organization, and day-to-day lives of the consulting industry

### CAREERS IN BUSINESS

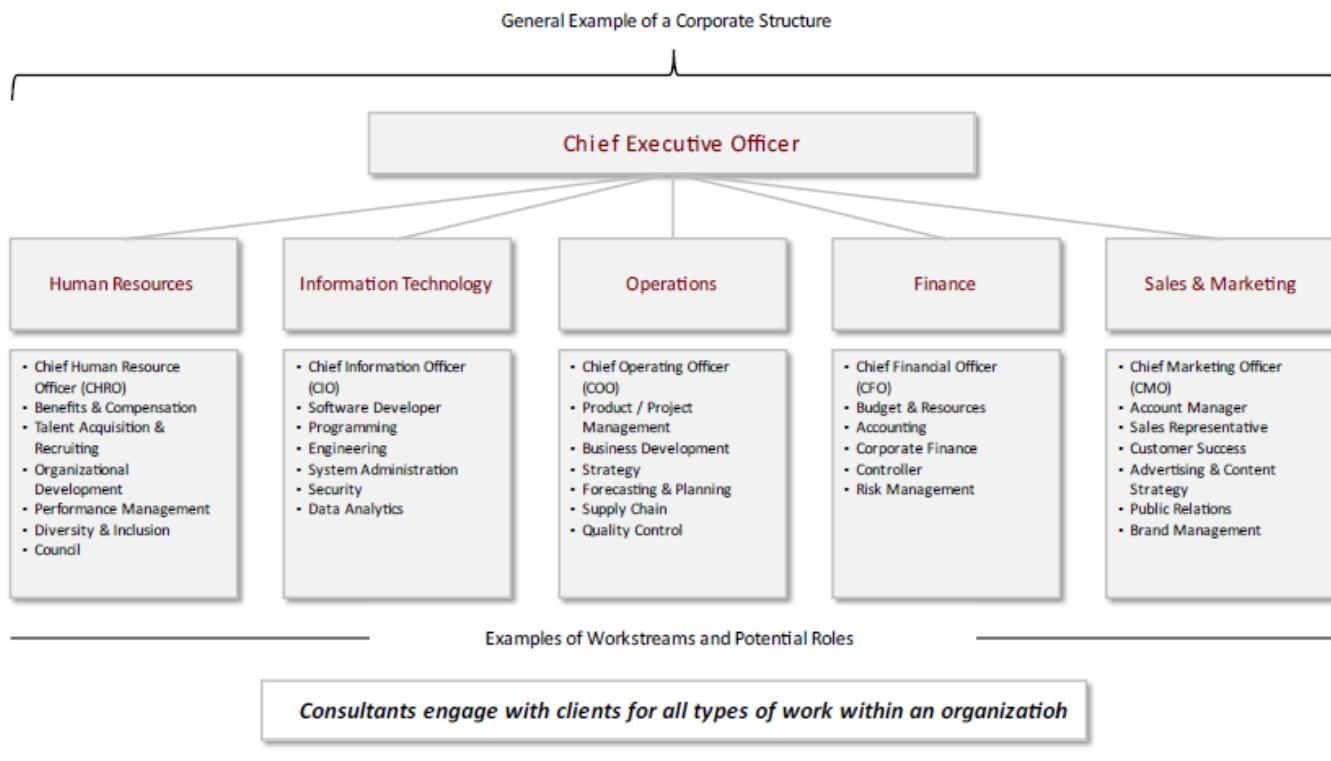
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## What is Consulting?

**Consulting** is a service-oriented industry that provides expert advice and problem-solving strategies to a variety of client organizations ranging from corporations, to nonprofit organizations, and governments. It encompasses a broad range of sectors and functional areas such as strategy, operations, information technology (IT), human resources (HR), and finance, among others.

Consulting offers the opportunity to work on challenging problems across a variety of industries and functional area, develop a strong skill set in problem-solving and business strategy, and make a significant impact on client organizations. Whether a consultant is helping a corporation develop a new growth strategy, a nonprofit optimize its operations, or a government agency implement a new technology system, the goal is the same: to help the client improve their performance and create lasting value.



- To become a successful consultant, one must possess a combination of technical skills (e.g., data analysis, industry-specific knowledge, project management) and soft skills (e.g., problem-solving, effective communication, leadership). The ability to adapt to and learn about new industries and functions quickly is also a key trait as consultants often work on a variety of projects.
- Prestigious consulting firms include: McKinsey & Company, Boston Consulting Group (BCG), and Bain & Company (together known as the “MBBs”), Deloitte, PwC, EY, KPMG (together known as the “Big Four”), and other top strategy firms like Strategy&, Oliver Wyman, and Accenture Strategy. Boutique consulting firms, specializing in specific industries or functions, also play a significant role in the industry.

### **Who is a Consultant?**

A consultant is a professional specialist who leverages their deep industry or subject matter expertise to provide advice, strategies, and actionable plans to client organizations seeking to solve problems, maximize growth and efficiency, or navigate complex business environments.

In their professional capacity, consultants fulfill several crucial functions that are highly sought after by a diverse range of clients, from corporations and nonprofits to governmental entities. These key functions are:

1. **Problem Solving** → At the heart of a consultant's role is problem-solving. Consultants apply their specialized knowledge and analytical skills to help clients address a wide variety of business challenges. This can range from improving profitability, overcoming operational inefficiencies, launching new products, entering new markets, implementing new technology, or transforming organizational culture.
2. **Strategic Advice** → Consultants are strategic advisors. They develop business strategies, plans, and recommendations based on a deep understanding of the client's industry, market conditions, and business goals.
3. **Change Facilitation** → Consultants not only provide advice but often also assist in facilitating change within the organization. They can guide the implementation process, oversee change management, and help clients manage resistance, ensuring strategies are effectively realized.
4. **Expertise Transfer** → An important aspect of consulting is transferring knowledge and capabilities to the client. This can involve training staff, developing processes, or establishing systems that continue to provide value even after the consultant's engagement ends.

Consultants can work within large consulting firms offering a wide array of services, niche firms focusing on specific sectors, or as independent professionals.

Regardless of their work setting, a consultant's mission remains the same: **to provide expert insights and strategic solutions that empower client organizations to achieve their business objectives effectively and efficiently.**

## **What Does a Consultant Do?**

From a high-level, the following list contains the most common tasks completed by consultants on a recurring basis.

- Conduct Company, Market, and Industry Research
- Conduct Expert Interviews
- Build Financial Models
- Create Presentation Material and Client Marketing Deliverables
- Source Projects and Network with Potential Clients

**The more senior the consultant's position, the more the role becomes client-facing, where the priority shifts from problem-solving and analysis to client relationship management and business development.**

Consulting is a demanding profession that often requires extensive travel and long hours. However, it offers significant rewards in terms of diverse and challenging work, the opportunity to make a real impact on organizations, attractive compensation, and excellent career development opportunities.

## **A Comparison of Different Types of Consulting Firms**

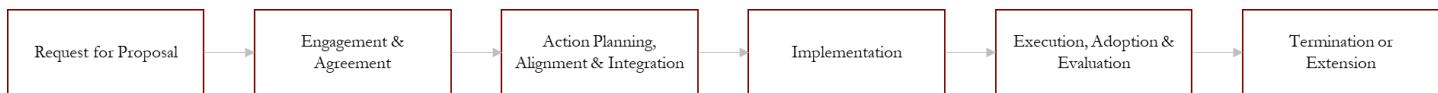
In the diverse world of consulting, firms often specialize in different areas, aligning their expertise to specific industry needs or functional challenges. While these specializations can vary widely, they generally fall into categories related to management, strategy, economics, financial services, human resources, national security, information technology (IT), and the environment. Understanding the landscape of these different types of consulting firms can provide valuable insights for you as you look to start a career in consulting, helping you align your skills, interests, and career aspirations with the right type of firm.

1. **Management Consulting Firms** → Management consulting firms offer services aimed at improving an organization's performance and efficiency. They provide strategies for managing change, increasing revenue, reducing costs, and enhancing organizational structure.
  - a. Examples: McKinsey & Company, Boston Consulting Group, Bain & Company.
2. **Strategy Consulting Firms** → Strategy Consulting firms focus primarily on advising organizations on high-level strategic decisions. They help clients determine where to invest, which markets to enter or exit, and how to position themselves against competitors.
  - a. Examples: Accenture Strategy, Strategy&, Oliver Wyman.
3. **Economic Consulting Firms** → Economic consulting firms provide businesses and governmental agencies with economic analysis and forecasts. They assist in policy formulation, economic impact analysis, and litigation support.
  - a. Examples: Analysis Group, NERA Economic Consulting, Cornerstone Research.
4. **Financial Services/Accounting Consulting Firms** → These firms specialize in providing advice on financial management, risk management, accounting, tax, and audit services. They help clients optimize financial performance and ensure regulatory compliance.
  - a. Examples: Ernst & Young (EY), PricewaterhouseCoopers (PwC), KPMG.

5. **Legal Consulting Firms** → Legal consulting firms provide services related to the application of law in business contexts. They offer expert advice on regulatory compliance, legal risk management, and legal aspects of transactions and operations.
  - a. Examples: FTI Consulting, Navigant, Kroll.
6. **Human Resources Consulting Firms** → HR consulting firms provide expert advice on human capital management. This might include talent acquisition, compensation and benefits, learning and development, and organizational culture.
  - a. Examples: Mercer, Willis Towers Watson, Aon Hewitt.
7. **National Security Consulting Firms** → These firms primarily work with government agencies on issues related to national security. They may offer advice on policy, technology, risk management, and logistics.
  - a. Examples: Booz Allen Hamilton, RAND Corporation, Science Applications International Corporation (SAIC).
8. **IT Consulting Firms** → IT consulting firms provide advice and implementation services around the use of technology to achieve business goals. This might include digital transformation, IT infrastructure, and cybersecurity.
  - a. Examples: IBM Global Services, Accenture, Deloitte Consulting.
9. **Environmental Consulting Firms** → Environmental consulting firms offer services aimed at assessing and mitigating environmental risks, ensuring regulatory compliance, and developing sustainable business practices.
  - a. Examples: AECOM, CH2M Hill, ERM.

Each of these types of consulting firms serves specific needs within organizations and hence requires different skills and expertise from their consultants. Understanding these distinctions can help you decide which type of consulting best aligns with your career goals. It's important to note that the examples provided above only scratch the surface of the extensive consulting landscape, with countless firms each specializing in unique areas. You can find a comprehensive list of potential consulting firms to which you could apply, [here](#).

### Life Cycle of a Typical Consulting Project



Consulting firms typically all follow a **project life cycle** to engage with clients, provide services, and continue partnerships to maintain their business. A typical project life cycle follows this timeline:

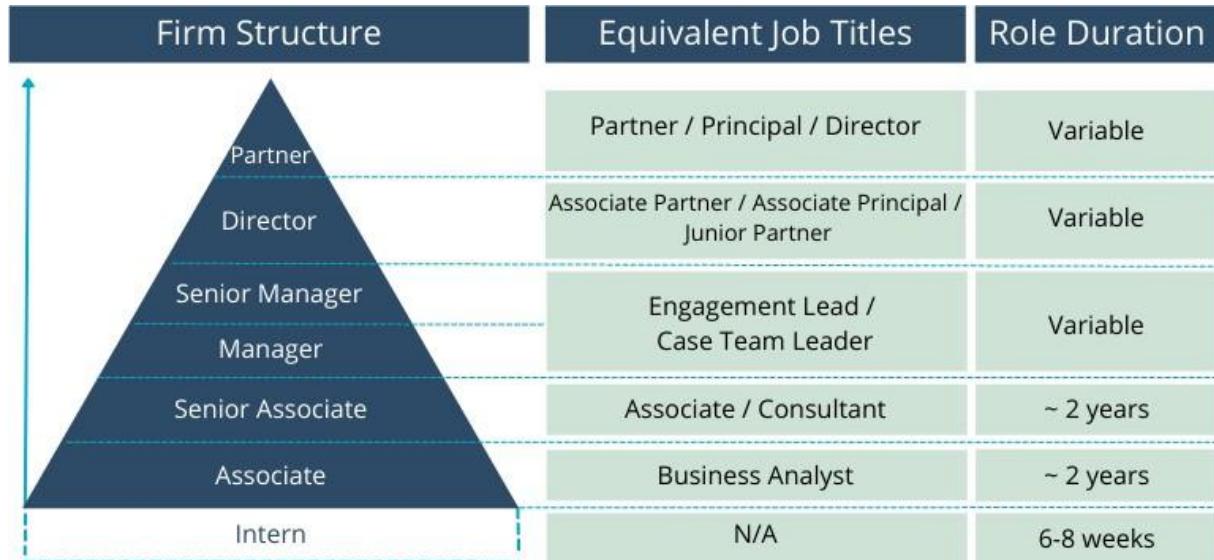
1. **Request for Proposal (RFP)** → Consulting firms submit RFPs to potential clients to “win” work over other consulting firms. For example, a large organization like Google may identify a need to optimize a process within their business which requires external subject matter expertise or resources to execute. They may ask multiple management consulting firms to bid for the engagement and will receive an RFP deliverable and presentation to choose who to engage with. RFPs may have multiple iterations and are an essential part of the relationship-building process for consulting firms.
  - a. A consultant may support the RFP deliverable creation for a partner / managing director trying to win work for their business. This deliverable is a PowerPoint presentation which generally includes an executive summary of the potential engagement, why a specific firm has the leading subject matter expertise to execute the engagement, timelines, resources, and pricing.
2. **Engagement & Agreement** → If a consulting firm wins their RFP, the next step in the process is to create a mutually beneficial **Statement of Work (SOW)**. The SOW outlines the fine details of the RFP, including the **scope** of the work to be done. The SOW is the signed contract between the consulting firm and client. Engagements do not start until the SOW is completed.
3. **Action Planning, Alignment & Integration** → With the SOW signed, the **Project Management Office (PMO)** team begins the creation of a project plan, identifies workstreams across different parts of the business, and creates goals / guiding principles for the engagement.
  - a. **The PMO for the consulting firm** generally consists of the engagement sponsor (partner / managing director), engagement lead or day-to-day manager (senior manager / manager) and a mix of senior consultants, consultants, and interns to manage the timelines, resources, and execution of the engagement. In addition to the PMO, there is a mix of managers, senior consultants, consultants to support the client employees in different workstreams and provide subject matter expertise.
  - b. **The PMO for the client** generally consists of an engagement sponsor who oversees the Steering Committee. The **Steering Committee** makes high-level decisions for the engagement and is made up of upper-level management members of the organization. The PMO also consists of an engagement lead / day-to-day manager of the work who works closely with the consulting firm to achieve the engagement goals. The client engagement lead oversees all the employees of the organization who will also be participating in the engagement.
4. **Implementation** → The implementation is the execution of the engagement. Implementations may take weeks or years depending on the scope of the engagement and the number of consultants provided by the consulting firm can range from 2-3 up to 50-75 depending on the client and SOW. Implementations can be broken down into a couple general stages:
  - a. **Discovery / Imagine / Requirements Gathering:** The initial phase of an engagement is to determine the possibilities of the change the client hopes to make to create lasting value. In this phase, the consulting firm works with the client to understand all the necessary requirements tailored to their business for the engagement and discover the best possible options for the client to move forward with.
    - i. A consultant in this phase may be doing market research / due diligence, conducting interviews, or engaging in workshops to analyze the specific problems of the business to create a strategy for the future in the form of a deliverable

- b. **Design, Build, & Test:** The second phase of an engagement is to make data-driven decisions to design, build and test a new technology, product, process, etc. to ensure the implementation of the change is going to be successful. It is critical that teams work cross-functionally together across the two organizations to maintain alignment, achieve the SOW, and create lasting value.
  - i. A consultant in this phase may be supporting the PMO team to execute the project plan or supporting specific workstreams to provide advisory of the work to be done
- c. **Change Management:** During the entire engagement, there is generally a specific part of the engagement to support change for the client. Change management officers help employees of the client realize the changes they will be going through and train the employees for whatever knowledge, tools, or processes that will be required for the change.

5. **Execution, Adoption & Evaluation** → Once the new strategy, technology, or process is ready to “Go-Live”, the engagement will transition from implementing the change to supporting the initial outcomes of the change. This may include monitoring how employees are adopting a new process in a merger and acquisition or evaluating how a new technology is supporting data management for the Human Resources office. Solution adoption and evaluation of the engagement is critical for taking next steps toward achieving value and return on investment (ROI).

6. **Termination or Extension** → When the timeline and resources of the terms of the SOW has completed, the engagement is now terminated. The consulting team disengages with the client and are now available to support other engagements.

### What is the Consulting Career Path?



The consulting profession presents a fairly defined career progression that represents a clear, hierarchical path, from the most junior to the most senior positions.

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The seniority structure from most junior to most senior can vary by the firm, but the differences (and the pace of promotions in terms of titles) are marginal for the most part.

1. **Associate/Business Analyst** → The entry-level position in consulting where individuals are tasked with conducting rigorous market and business research, performing basic data analysis, and contributing to the development of client presentations. They typically utilize a range of tools and platforms such as Excel, Tableau, or industry-specific software, along with intensive internet-based research and client-specific data.
2. **Senior Associate/Consultant** → These professionals build upon the skills of an associate, but take a more active role in problem-solving, strategy development, and client communication. They are expected to manage smaller project components, oversee the work of associates, and start honing their skills in a specific industry or function.
3. **Manager** → As the name suggests, this role involves managing teams of consultants to deliver on client projects. Managers are responsible for ensuring the quality of work, meeting deadlines, and presenting solutions to the clients. They are involved in a higher level of strategic decision-making and often act as a primary point of contact for clients.
4. **Senior Manager** → The senior manager takes a more strategic role, often leading multiple project teams or large projects, and is heavily involved in business development activities, such as identifying new opportunities with existing clients or targeting new ones. They mentor and guide their teams, while also actively contributing to the firm's knowledge and practice areas.
5. **Director** → Directors oversee multiple projects or client relationships, shaping the strategic direction of engagements. They have a significant role in business development and are often considered thought leaders in their areas of expertise. They also play a critical role in the mentoring and development of the firm's talent pool.
6. **Partner** → Partners are at the pinnacle of the consulting firm hierarchy. Their roles involve firm management, key client relationship management, and major business development. They are also responsible for setting the firm's strategic direction, maintaining its reputation, and ensuring its financial performance. They are the key decision-makers and hold the ultimate responsibility for the outcomes of the projects and the performance of the firm.

## Why Consulting?

Some of the most cited reasons for a career in consulting are the ever-changing nature of the work from working on a variety of projects, well as the collaborative and intellectually stimulating work environment, and the availability of exciting exit opportunities following roles at a prestigious consulting firm.

Students should also be aware of the challenges of being a consultant which can include long hours, a demanding workload, and – depending upon the firm – a heavy travel schedule.

**Consulting vs. Investment Banking:** Unlike in investment banking, which sees some analysts leave the industry after one or two years, it is not uncommon for consultants to remain in the consulting industry for a large proportion of their professional lives. The constant variability in project types and the opportunities for continuous fast-paced learning makes consulting an extremely stimulating profession. This leads to many consultants simply working their way up the hierarchical consulting “ladder”, either internally through achieving promotions at their own firm or, as is increasingly common in the last few years, externally through switching to a different consulting firm in the hopes of achieving greater vertical mobility.

**Obtaining an MBA:** Another common trajectory for consultants is to acquire a few years of experience before pursuing an advanced degree, typically an MBA, to further enhance their business acumen and leadership skills. After earning their MBA, many consultants choose one of three paths. Some return to the consulting industry, often securing a position at a higher level such as a project manager or a principal. This route allows consultants to leverage their expanded knowledge and skills, and continue contributing to the varied, intellectually stimulating work that consulting offers.

Another popular route leads to the finance industry, where the analytical acuity and problem-solving prowess developed during their consulting tenure sets them up for success in roles like investment banking, private equity, or venture capital.

Alternatively, following their MBA some consultants leverage their sector-specific expertise gained from numerous consulting assignments, transitioning into industry roles. They often assume strategy or leadership positions in the industries they previously consulted for, applying their strategic and operational insights directly to the businesses within these sectors.

**Becoming an Industry Expert:** It's important to note that pursuing an MBA is not the only route for consultants eyeing a transition into the industry. In fact, many consultants find compelling opportunities to directly pivot into industry roles. This transition often materializes from the deep relationships consultants cultivate with their clients during projects. These consultants are uniquely positioned to understand their client's operational intricacies, strategic challenges, and industry dynamics, making them attractive candidates for roles within these organizations. Their analytical skills, strategic mindset, and hands-on experience with the company's unique challenges can offer significant value, leading to a natural transition from an external consultant to an internal strategist or leader.

Summing up, the versatile skill set and wide-ranging industry exposure acquired in consulting open multiple exit avenues, ensuring that a career in consulting never means being locked into one trajectory. Whether it's furthering education with an MBA, pivoting into finance, progressing within the consulting hierarchy, or transitioning directly into an industry role, consultants have a multitude of opportunities to shape their professional journey.

### **Call to Action and Recruiting Next Steps**

If consulting feels like a career that could interest you, you came to the right place! UChicago has a plethora of resources to help you secure a position in consulting. For internships, **consulting recruiting typically starts during Spring quarter of Sophomore year and continues into the Fall quarter of Junior year.** For full-time positions, **consulting recruiting typically starts during Spring quarter of Junior year and continues through Winter quarter of Senior year.** Please see below for a checklist of next steps that will ensure you're as prepared as possible to succeed in your consulting applications:

1. **Schedule a Resume Review with Career Advancement on [Handshake](#)**
2. **Begin Networking:** Effectively networking is a vital aspect of securing a consulting position. For strategies on how to effectively network, explore the resources available on the Careers in Business SharePoint site [here](#).

3. **Start Your Interview Prep:** The consulting interview process is comprised of both behavioral and case (technical) interviews. Learning how to effectively navigate both of these two types of interviews will be crucial to securing a consulting position.
  - i. Behavioral Interview resources can be found [here](#)
    1. [Practice Interview Program](#)
  - ii. Case Interview resources can be found [here](#). In addition to the resources on the Careers in Business SharePoint, we also recommend you read the following books:
    1. [Case in Point by Marc P. Consentino](#)
    2. [Case Interview Secrets by Victor Cheng](#)
    3. [Crack the Case System by David Ohrvall](#)
4. **Review and Learn:** For a comprehensive suite of all of the consulting resources Careers in Business has to offer check out the Consulting Recruiting Careers in Business page [here](#).

### **Glossary of Consulting Terms:**

**B2B** → Business to business, referring to a company's primary audience for sales and marketing.

**B2C** → Business to consumer, referring to a company's primary audience for sales and marketing.

**Bandwidth** → This often refers to the capacity to take on more work or projects. For example, if a consultant has a lot of "bandwidth", it suggests they can handle additional tasks or assignments.

**The Beach or Bench** → Time spent when a consultant is not staffed on a client-billable project or program and is actively seeking staffing opportunities. Despite the relaxed connotation, it can be a stressful time as consultants are typically expected to be billable, and long periods on "the bench" may be looked upon unfavorably.

**Benchmarks** → Metrics or standards competitors in the client market attain. Typically for optimal performance.

**Best Practices (management)** → Management practices that are widely recognized as standard and effective for achieving desired results in organizations. Examples include well-known practices, such as Board training, strategic planning and employee performance evaluations. There are strong opinions both about what qualifies as a best practice and about their usage.

**Buy-In** → Agreement or support for an idea, recommendation, or project.

**MBB** → McKinsey, Bain & Company, Boston Consulting Group. Also known as: Big 3

**Deck** → A common term for a PowerPoint presentation. In consulting, the "deck" is often the main deliverable for a project, outlining findings and recommendations.

**Deliverable** → A tangible or intangible good or service produced as a result of a project that is intended to be delivered to a customer or client. In consulting, this could range from a detailed report to a strategic plan or a software product. This can also be a work product that you owe to your manager or team with a deadline.

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**Engagement** → Another term for a project or assignment. Each consulting job can have multiple engagements with different clients.

**Gantt Chart** → This is a type of project management bar chart that illustrates project schedule including start and finish dates, the deliverables, and project milestones.

**KPI** → Key Performance Indicator, one of the metrics used to evaluate performance.

**MECE** → Mutually exclusive and collectively exhaustive. Meaning you have addressed all key areas and there is no gap nor overlap.

**Pain Points** → Challenges or problems that a business is facing, which are often the focus of a consulting project.

**QC** → Quality control, typically referring to need to check for typos, grammar mistakes or calculation errors.

**Scope** → The agreed-upon list of deliverables and boundaries that underpin any client engagement.

**Scope Creep** → The expansion of the project beyond its original goals, often resulting from changes to business requirements during the project. It can pose challenges to project timelines and budgets.

**Stakeholder** → Any individual or group that is affected by or has an interest in a particular decision or project, including clients, customers, employees, shareholders, and the community.

**Stand Up Call** → A “quick” round table team call to update status from each team member/lead. Usually no longer than 15-20 mins.

**SWOT Analysis:** This is acronym for Strengths, Weaknesses, Opportunities, Threats. This type of analysis can help you assess what is going on in a business situation to determine next steps and recommendations.

**Utilization rate** → client service hours vs. time on beach. If below 50%, prepared to be “right sized”.

**Value Proposition** → A promise of value to be delivered by a product or service, and the main reason a customer should choose one product or service over another. For consultants, articulating the client's value proposition is often a key part of strategy projects.

**Wordsmith** → To make trivial or generally unnecessary edits to text that may only subtly change the meaning, if at all; incorrectly implies that one is a craftsman on the order of a blacksmith or goldsmith; sadly, wordsmithing rarely involves the deletion of jargon.

**Workstream** → This is the group of tasks that make up your project plan and can be assigned to different members of the team to work on independently or as part of a smaller team.

**Zero-Defect** → Means no defects and checking your work thoroughly to make sure there are no errors before you submit.