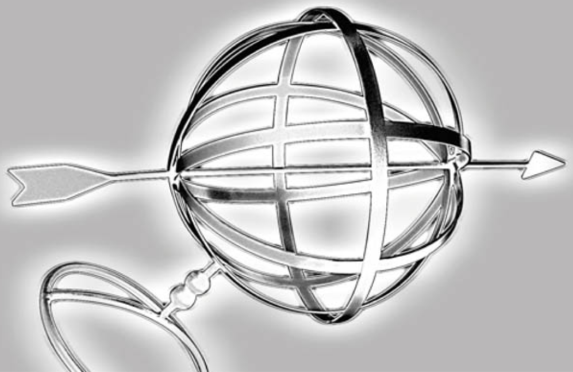
Keith Merron

CONSULTING MASTERY

How the best make the biggest difference



An Excerpt From

Consulting Mastery:
How The Best Make The Biggest Difference

by Keith Merron
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Contents

CHAPTER 1

The Decay of the Consulting Profession

We have met the enemy and he is us.

—Pogo (Walt Kelly)

A FEW YEARS AGO, I was involved in a consulting engagement, partnering with what was then one of the "Big Five" consulting firms. We were helping a multinational Fortune 100 company implement SAP software as their new company-wide software system. This changeover took well over a year and required a ton of planning, training, and dealing with all the issues one deals with when undertaking such a massive change. Early on in my work with the consulting firm, one of the young, extremely bright, talented, and dedicated consultants (we'll call her Diane) showed me with great pride a document they had been developing—the consulting firm's plan for leading the changeover to the new SAP system. This plan was over 400 pages long and showed over 1000 different things a manager needed to pay attention to in order to successfully lead the implementation of the new system. This document had sections on how to train others, how to listen to others' concerns, how to gather information, etc. It was truly a magnum opus of SAP planning, custom tailored (so they said) to meet this client's particular need.

I cannot begin to guess how many consulting hours it took

Diane and others to develop such a document. I'm sure hundreds of hours. What caught my interest, though, was not the huge investment in time and the client's money. It was the pride that Diane felt about the work, believing in her heart that this was truly value added to the client. With some degree of surprise on my part, I asked her how this document was used, and she reported to me with consternation that it seemed to have been given short shrift. The clients were, in her words, "resistant" to using it. In fact, she offered, "few even read it in the first place." Diane seemed to believe that if they were truly motivated they would actively read and use such a document and that their lack of use was a sign of their failing, and not hers or her firm's.

Diane's whole thinking and presumably that of the project leaders of the consulting firm was driven by a belief that good information and good analysis should carry the day. Rarely is this the case when it comes to influencing organizations. Organizations, and people for that matter, respond to a different song. To get organizations to change, they need to be inspired. Not much damps the human spirit more than breaking down an organizational problem to its smallest parts. Dissection rarely produces movement in organizational life. Diane was well on her way to being a good consultant. If she continued down her path, however, being a masterful consultant would elude her, for what she was learning in her firm had little to do with making a big difference.

It Starts with Goals

To understand the difference between good consultants and great ones, we need to go beneath the surface of the rules of typical consulting approaches and examine the goals and strategies that drive those rules.[1] We will start with goals, for the goals of consultants, as for any human being, form and inform the strategies they use.

Take a moment and ask yourself: What do you want as a consultant? Why do you consult in the first place? You could want many things. If you are like most consultants, however, your goals probably fall into one of three areas.

- To add value (fix a problem, plug a hole, introduce a new process or system)

- To make a lot of money
- To make a profound difference—to shift the organization to a new level.

The primary goals of many consultants employing the typical rules of consulting are to *add value* and to *make a lot of money.* In the story described in the Introduction, Sam was drawn to consulting because he wanted to achieve these two things as well. To make a profound difference would be icing on the cake, but not essential. He believed that making a big difference does happen from time to time, but since it is so elusive to him, he believes it is best to focus on adding value and making money. Not surprisingly, Diane had the same goals. Both were young consultants eagerly following the footsteps of a generation of consultants before them, wanting to help and to earn a very good living.

To add value and make money, the consultant typically offers help in the form of expert advice or an expert process. In a competitive bidding situation, often the consultant must also convince the client that this expertise cannot be found elsewhere and not only is it well worth it, but the client is at risk of failing without it. In most cases, clients are inclined to believe this is so. In addition, the consultant will often leverage the talents of others to expedite the consulting process for the client.

These goals, to add value and to make money, get translated into strategies, which in turn directly affect the actions and the outcomes of the client engagement. Let's begin with the primary strategy that drives most consultants' actions and behaviors.

The Savior Strategy: The Primary Strategy of the Current Rules of Consulting

Every day, throughout the country, clients and consultants are participating in a silent and powerful contract, often unaware of its existence. It is the basis of what I call the *savior strategy.* To understand this strategy, we need to strip away the complexity of consulting and get down to its essential form.

At the core of any consulting activity is the desire by the client to get help and by the consultant to offer help. Help tends to take the following form:

- Client defines a problem.
- Client hires consultant to either solve the problem or tell the client how to solve it.
- Client pays for this service and sometimes implements the advice.

The desire to be helpful runs deep in the psychological makeup of most consultants. They have spent many years honing their craft, driven by this desire. More specifically, they have a belief in how organizations can be better run, and a genuine desire to show clients the way.

Simultaneously, clients often have a deep desire to be helped. Rarely seeing consulting as an aid for growing or developing the organization, they often seek out consultants when something in the business is not working well or is "broken." Out of consultants' desire to help and clients' desire to have something "fixed" is born the *savior strategy.* To occur, the savior strategy requires two consenting parties—the helpers and the receivers of help. The helpers must be motivated to help and also believe they have a better way. The receivers of help must want to be saved, believe they are capable of changing, and believe that the helpers have a magic elixir obtainable only from the helpers.

Many consulting firms are brilliant at playing the savior game and preying on the fears of clients that, without the firm's help, the company is either doomed or in deep weeds. These consulting firms make impressive presentations, backed up by recent research, demonstrating the trends that are impinging on the company, followed by multiple examples of how clients have been helped enormously by the consulting firm's intervention. That these charts are often pseudoscientific is usually not evident, because the client so wants to believe that the consulting firm will save them. It is a lesson carried over from the snake oil salesman of the 1800s, who made a good living selling exotic elixirs to "cure all that ails you." When you want to be fixed or saved, you are easily prone to being convinced.

Impressing Clients with Sleight of Hand

One very wealthy consulting firm that I have worked with was brilliant in their ability to demonstrate added value through "research." One of their most powerful presentation slides was a graph comparing their clients' stock progress in the past 10 years versus the Dow Industrial Average, showing in dramatic fashion how their clients had significantly outpaced the market. This demonstrated, or so the firm wanted the client to believe, that the consulting firm's intervention made the difference. What more compelling argument could there be? The client seldom considers that there is a self-selection process going on, and that certain companies are predisposed to use the consultant's services. What is also hidden is the selective methodology used in defining a client. In this case, only clients of long standing were cited. Those who dropped the consulting firm were likewise dropped from the research. In effect, the data offered was no test of the consulting firm's ability at all. A "before and after" picture of *all* clients would have been a far better measure of actual results.

Preying on the client's need to be saved is a significant modus operandi for many consultants, particularly those that employ an "expert" model of consulting. What better way to hook the client into believing in the necessity of hiring the consultant than to cleverly participate in the game. To be fair, most consultants don't seek to "hook" the client at all (at least not consciously). They simply want to be of service and to add value in the best way they know how—by solving a problem. Nonetheless, both consultants and clients participate in the same implied contract. You, the client, need help. I have what you need. I'll sell it to you, and then you'll have it.

It sounds so wonderful. But the negative consequences of the implied contract can be severe. Once the consultant leaves, the client organization will *not* have more knowledge than it had before, because knowledge—the consultant's stock in trade—cannot be given away. You can give people information; it's like giving them a bag of groceries. But knowledge transfers less easily. In the realm of human and organizational dynamics, knowledge must be learned and earned through exploration, deep shared thinking, and often struggle. Many consultants do indeed often have useful knowledge, but by the time it is transferred in the form of a presentation, report, or other form, it is rarely more than information.

Since the knowledge behind that information is rarely transferred, it is never truly owned by the client organization. The bookshelves and credenzas of managers around the world are laden with well-crafted consultant presentations—collecting dust.

Yet in spite of this, clients are happy to pay for information and to expect positive results. This willingness to be "done to" and be "given to" is natural. Most organizations are overwhelmed, and they look for the quick fix. Most consultants are happy to oblige.

I used to work in a consulting firm that had a well-developed process for "transforming" organizations. Our primary intervention was a 4-day "team building" event that many people described as life changing. The beauty of our approach was that we started with the executive team, helping them through very difficult issues. The executives came out the other side with a renewed sense of passion for their leadership and for working together, thus, they were ripe to sign on the dotted line to have others throughout the company experience the same thing, for a hefty sum of money. We also did a number of other things to help the client "align" its resources and create a high-performing culture, but the team building was the primary transformation vehicle.

Having led many of these interventions, however, I noticed a pattern. In most cases, the executives were happy to have us "roll out" our process throughout the company. The more we could do for them, the better, thereby freeing the executives to focus on things they were more comfortable with—strategy, dealing with investors, planning, etc. Metaphorically, it was as if they wanted us to wave a magic wand over them. And we did. However, in almost every case, little or no change took place in the client organization. Individual people might be transformed, but the client organization as a whole remained stuck in neutral.

In the few cases where we struck a different relationship and where the client took full responsibility for the transformation process, we had much better results. Naturally we preferred the latter scenario, because we sincerely wanted to see enduring results from our work. However, we were perfectly willing to accept the former scenario. As one of my colleagues, Tom Shenk, puts it—"great payday, no difference."

Secondary Strategies of the Current Rules of Consulting

The goal to add value and make a lot of money gets enacted and expressed through the primary savior strategy. This strategy, in turn, produces secondary strategies that support the desire to help and to make money. These strategies, in turn, determine the kinds of choices consultants make. The typical strategies of the consulting process fall into one of three categories. They are: the consultant's relationship to his client; the consultant's relationship to knowledge; and the consultant's relationship with himself— his character, in other words.

In the arena of *relationship to client,* most consultants employ a strategy that gives them tacit power over the client, and they use that power to try to get the client to do what they believe is best for the client. In the arena of *relationship to knowledge,* most consultants claim and use specialized knowledge, processes, tools, and techniques as their primary added value. In the arena of *relationship to self,* most consultants seek to develop presentation and sales skills for gaining more business. Let's look at each more deeply and its consequences.

Create a "power over" relationship to the client. Most consultants say they want a partnership with their clients. They talk about the importance of give and take and in working together to solve a problem. And, indeed, in most cases that is what they desire. However, many consultants are unaware of the multiple ways their behavior implies a different relationship—one best described as having "power over" their clients.

Consultants who consciously or unconsciously employ a "power over" strategy do a number of things that are designed to maintain control over the client and the consulting process. For example, they chop up the business into parts in order to analyze it. On the face of it, this seems sound. However, the more consultants do the work, the more likely they will understand the business better than the client (at least those aspects relevant to the consulting engagement). Consultants then use this understanding as leverage to get clients to do what the consultants think is best for them. Additionally, many consultants control the consulting process as much as possible, convincing clients that these "tried and true" methods guarantee best results. Since consultants know these methods, and the clients do not, a "power over" dynamic is created or maintained. Finally, the very act of promising to deliver success feeds off the client's desire to be fixed or saved and puts them in a childlike position in relationship to the consulting "parent."

Claim and use specialized knowledge, processes, tools, and techniques as the primary added value. Most often, the added value consultants provide in the form of knowledge, tools, and techniques is really worth something. So is the research they tailored to meet the unique needs of the client. Conducted by bright and eager consultants and led by savvy partners, consultants do provide useful analyses, sound techniques, and thoughtful recommendations, much of which has real value for the client. The only rub is the claim that it is specialized and unavailable elsewhere.

Consultants place a high value on being special, on having something the client cannot get anywhere else. Sometimes they claim that the knowledge may not be special, but the methods for implementing that knowledge are. However, rarely does a consultant have something a client can't get elsewhere. Many times I have seen consultants scramble to put together a presentation from a recent *Harvard Business Review* article, slap their logo on it, and claim to have specialized knowledge. Astonishingly, it works. They dazzle the client with presentations, delivered with panache. In truth, if this knowledge is this available, how "special" can it be? The real added value comes not from the information but from the ability to get clients to actually use this knowledge well. This ability is indeed a rare commodity among expert-based consultants.

Develop "self" skills for gaining more business. Many firms teach their new consultants the importance of presenting themselves well. Partners "dress for success" and encourage their consultants to do the same. They place a high emphasis on conforming to the kind of social etiquettes that appeal to those in positions of power in their client organization. And they hone their influence and persuasion techniques. To them, developing "self" is about outer image and presentation, not about the "inner self." Indeed, you might argue that the "inner self" has little to do with effective analysis. Masterful consultants take issue with this, however. One masterful consultant I know left her highly successful partnership in a firm finally fed up with the over-attention to image and inattention to issues of character and lack of true commitment to the client. In her words, "the hypocrisy of how the consulting firm ran counter to the very principles it taught clients was too much for me to bear."

Each strategy can generate an endless number of actions. Many actions, however, fall into a typical set, represented in the far right column in Figure 1-1. Since this book focuses on consulting mastery, I will summarize only the actions of the current approach to consulting. In future chapters, we will look into the actions of masterful consultants in far greater detail.

Many of the larger, more "successful" consulting firms use two additional and very questionable strategies as part of their financial wealth plan. They often use less experienced consultants and charge far more to the client to create high profits. And they offer high-margin "bolt-ons" ("how about some fries with your burger") as a critical added resource.

While I think the typical approach in Figure 1-1 is fair and close to reality, it is also a caricature. Few consultants truly operate exactly like this. Many do some of these things as well as some that are more masterful. Certainly, few consultants will ever admit that they are focusing primarily on making money. In subtle ways, however, they make choices that are not in the client's best interest. Sam was a great example. His mentor taught him that the client often can't see what it needs, and that he and other members of the consulting firm knew better than their clients. Had the client known better, it is reasoned, the client would not have needed to hire Sam's consulting firm in the first place. This frees up Sam to recommend things the consulting firm has to offer without hesitation or concerns.

Consultants throughout the land are following the same process. In some cases, the consultant follows these strategies and actions and does indeed help solve the problem and leave the client

Figure 1-1 The Typical Game of Consulting

Goals	Primary Strategy	Secondary Strategies	Actions
Make Money Add Value	Be a savior	Create a "power-over" relationship	Chop up the business into parts and analyze the business—use the analysis as the primary source of added value to the client
			Control the process to the extent possible
			Promise to deliver success, and feed off the client's desire to be saved or fixed
		Claim and use specialized knowledge, processes, tools, and techniques as the primary added value	Offer value in the form of deep analysis and thoughtful recommendations
			Claim to have developed expertise unavailable to clients
			Dazzle the client with presentations and sound technique—deliver with panache
		Develop "self" skills for gaining more business	Attend to and develop one's image
			Hone one's influence and persuasion techniques

satisfied. In some cases, it is a waste of effort: Remember those bookshelves of reports collecting dust. Rarely, however, does advice giving or help in the forms most consultants provide make a difference. It rarely adds energy to the system. It does not challenge people to think differently, nor cultivate deeper understanding. It rarely penetrates the underlying patterns that form and shape the client and keep them from achieving a higher level of performance.

"THE SYSTEM OF CONSULTING AS TYPICALLY FOLLOWED IS BANKRUPT AND MOST CONSULTANTS AND CLIENTS DON'T EVEN KNOW IT!"
—A HIGHLY SUCCESSFUL CONSULTANT'S VIEW

How the Rules of Consulting Were Created

One *can't* just declare the need for "a new model for consulting"—first one must understand how consulting came to be the way it is today. Without this understanding, we are destined to perpetuate some of the very forces that have led to the decay of the consulting field. To understand how the current consulting business has been shaped, let's look at each of the following:

1. The historical roots of the typical consulting model
2. Why large businesses buy into it
3. How our educational system supports it

The Historical Roots of the Typical Consulting Model

Since the early 20th century, when, for all intents and purposes, the consulting field was born, consultants have made a simple promise to clients:

The Consultant's Promise

> I, the consultant, promise to have knowledge that you, the client, value and need. I promise to demonstrate that value and transfer the knowledge and/or its benefits to you. The process I use to transfer this knowledge to you will be structured and understandable. I will charge you a consulting fee for that transfer. I promise that if you use this knowledge, you will be better for it, and it will be worth the price you pay.

Why has this contract been so successful? Two main reasons: expertise packaged in a structured form, and leveraging the gifts of talented people.

Well-packaged expertise. The inception of the expert-based, structured approach to consulting harkens back to the early 1900s, when Frederick Taylor began to apply quasi-scientific principles to the task of management. Taylor, scion of a wealthy Philadelphia family, came into prominence when the industrial age was in full swing, and machinery was taking the place of manpower in the production of goods and services.

The railroad had recently replaced the horse as the primary source of rapid transportation, and with it big businesses began to flourish as the possibility of using railroads as a powerful distribution system came into being. Steel was becoming the backbone of industrial society and oil was just emerging as a powerful source of energy. Cities were the heart and soul of our nation's growth.

These changes did not happen overnight, and when compared to modern times, the business world remained relatively stable and predictable, production processes relatively inefficient, labor inexpensive and its supply seemingly unlimited.

Early in his career, Taylor was fascinated about what motivated human beings. As a result of repeated efforts to study humans in production settings, Taylor developed what he called "scientific management," a rather crude, yet effective application of the methods of science to the increasingly complex problems of managing people in rapidly growing, labor-driven businesses.

Through systematic study and logical reasoning, Taylor broke down the process of production into its smallest parts, and based on the assumption that it is the responsibility of management to "control" labor, developed a method of optimizing the process of production. Taylor's system of analysis required the consultant to study how people used their time, and how the process of production flowed, and then to find ways of making use of time and production flow more efficient. These "time and motion" studies were all the rage in the early 20th century. Many consultants adapted his methods and, with them, helped companies become more efficient and more effective. His methods were popularized and even parodied in books and movies such as *Cheaper by the Dozen* and Charlie Chaplin's wonderful comedy, *Modern Times*.

Taylor's methods were simple yet profound.* He would study a client organization, using a structured methodology that was designed to help clients solve both human and organizational efficiency problems. Enormously lucrative, Taylor's methodology paved the way for countless other consultants who saw the advantages of applying an expert-based, structured methodology to address business problems. To this day, almost all major consulting firms use the same process, although the underlying expertise or knowledge may be quite different.

LEVERAGING OTHERS. While expertise packaged in a structured way is the first ingredient of the typical rules of consulting as currently practiced by many, an important second ingredient produced management consulting's hypersuccess over the past 50 years. Many refer to it as the "leveraged model of consulting." At its most basic form, it looks like this. When a consulting firm's partner sells a large piece of consulting work to clients, most of the legwork is farmed off to the firm's less experienced, often young, consulting talent. The difference between what the consulting firm charges for its time and what they pay the young consultants is huge, and the margin is an incredible wealth-making machine for the firm. While I am not sure who pioneered the leveraged approach to consulting, I am sure that it became famous at McKinsey, historically the most successful and lucrative consulting firm in the world.

Here's an example of how the leveraged model works in more detail. A partner sells a piece of work—let's say a $5 million consulting engagement for a Fortune 500 company. Typical fees for such an engagement might be: $3000/day rate for consultants, $3500/day rate for project leaders, and $4000/day for the account manager's time. When a client signs a contract and work begins, often, unbeknownst to the client, each consultant's total cost to the consulting

* In addition to efficiency, Taylor was also very motivated to create fair wages for employees and to reduce the abuse of blue-collar labor that was rampant at the time. His humanitarian aims have often been lost in the more recent popular trend to uniformly question his tactics and impute his motives.

Leveraging Talent the McKinsey Way

In 1926, James O. McKinsey, an accounting professor at Northwestern University, founded McKinsey and Company. Joined by Tom Tierney soon thereafter, they began auditing clients' books to identify opportunities for cost savings and improved efficiencies. The firm was not really distinct from other firms started around that time, such as Booz Allen, until 1933 when Marvin Bower, a Harvard Business School and Law School graduate, joined McKinsey and Company. Bower was the true visionary behind the firm, committed to creating a high degree of professionalism in what was then not recognized as a true profession. A few years after Bower joined the firm, McKinsey took a temporary position orchestrating a turnaround at Marshall Field & Company, one of the leading retailers in the country. McKinsey died shortly thereafter, in 1937. Bower and Tierney, the two leaders of the firm, disagreed over how to run McKinsey and Company and broke the firm into two halves. Bower continued to run McKinsey while Tierney formed A. T. Kearney.

Shortly after taking over McKinsey, Bower began making profound changes that revolutionized the consulting industry. For example, up until that time, consulting firms typically hired gray hairs with significant industrial management experience. The prevailing belief was that on-the-job experience was crucial for consulting success, if not at least for credibility. But Bower went against the patterns of the times. Feeling that experience often brought baggage, he instead sought intelligence. "I respected intelligence as much as, if not more than, practical experience," he told *The Edge*, a Wharton Business School publication. "We needed intellect in the firm as consulting was becoming an increasingly thought-intensive process."[2] In new hires, he sought character, intellect, personality, and drive.

With youth comes openness to learning, and so Bower and his partners developed and taught "The McKinsey Way" to an eager group of budding consultants. Bower's system of hiring and training produced a highly skilled workforce that could be easily leveraged and replicated in multiple situations. Given that McKinsey and Company and most other large consulting firms based their success on analytic expertise, the research and analysis underpinning most consulting jobs could be done without a lot of experience. Moreover, the use of younger talent exactly fit McKinsey and Company's emerging style, tailoring the diagnosis and work to match the circumstances of each client. Where other firms in the early days of consulting would start with a solution in mind, the McKinsey way was to break client problems down into elemental parts, then seek causes and solutions to these parts. This appetite for detail and analysis was well suited to bright young, consultants.

Over time, Marvin Bower built the most successful and dominating consulting firm in history, and the premises upon which it was built are replicated in almost every successful consulting firm worldwide. These assumptions are rarely questioned, primarily because it has worked so well for over 60 years. In particular, it works for the consulting firm itself, a magnificent money-making machine.

firm is on average about $225,000 per year, including salary, bonus, benefits, overhead, etc. This nets out to about $1000 per day assuming the consultant works in a client engagement on an average of 225 days per year. The difference between what the consultant costs the consulting firm and what is charged is pure margin, thereby leveraging the talent and time of the consultant. Similar margins apply to higher-level consultants. The net effect is a system where the sale occurs at the higher levels of the firm, but the bulk of actual work is done at lower levels. The more the partner can repeat this process the more money he makes for the firm (and for himself). All consultants in every major consulting firm know this process extremely well, and each receives a handsome salary and bonus based on his or her ability to use the system to its fullest.

Why Large Companies Buy into the Current Rules of the Game

The second force shaping the prevailing consulting rules is the expectations of large industry leaders and the relationships they form with large consulting firms. Together, industry leaders and major consulting firms form the power elite of the business world. Interestingly, they show us what was successful in the past, not necessarily what will be successful in the future. For example, *Fortune Magazine*'s list of most admired companies almost always features those companies with the largest number of people or the greatest market share. These companies and their leaders were extremely successful in earlier approaches to business. They typically follow a hierarchical form of organizing and a tightly controlled system of management. While some have evolved to adopt alternative models of organization to help them grow and change, most rely on more structured, systematized approaches to change. To them, this makes sense. By the time a company gets large enough to become an industry leader, it often relies on rules, processes, policies, and systems of management that move people in lockstep fashion.

Ironically, what it takes to *manage* a large system is not the same as what it took to *become* a large system. Most large companies were innovators in their time—IBM, Hewlett-Packard, United Airlines, and Dupont to name a few—but now focus more of their energy on successfully managing their complex system than on creating a new model for success.

Not surprisingly, these large organizations typically hire large consulting firms that match their needs. They expect consultants to come in and offer a systematized approach to change and apply it to their monolithic, rule-bound organization. Together, the large business and the large consulting firm create a self-reinforcing system of exchange: larger organizations seek help from larger consulting firms whose structured approaches are tailored to meet the needs of larger client organizations.

While perhaps successful in the past, these structured methodologies are no longer enough. They reinforce a dynamic in which the client becomes dependent on the consultant for their change process. While change may occur in the short run, the client is no more capable of leading change in the future. Expert knowledge may (or may not) be applied, but the client is no wiser for this knowledge.

Moreover, many employees within these firms frequently resist the changes recommended by the firms employing this structured model because they don't feel it belongs to them. They are being told what to do by another set of bosses (the consultants, this time) often without the feeling that the consultants value their point of view, knowledge, or expertise. Trust is not established between the client's employees and the consultants, and this is fatal because trust is so crucial to change. While the consultants and the leaders of the organization may like the structured change process that is being "rolled out," the workers themselves often feel like they are being "rolled over."

I have worked with many large clients over the years. One was particularly memorable. In this organization, many of the workers were initially highly suspicious of me, even though we had never worked together. When I asked why, many reported that they had just been working with one of the large consulting firms and felt insulted by how they were treated. They felt disrespected and even demeaned by the way the previous consultants acted. One worker put it this way: "I can't believe the firm sends us these snot-nosed consultants—who have never worked in a company—to tell us how to run our business. We started working with one of the senior partners. He seemed to know what he was doing, but then he left us with these young kids, fresh out of the university, who knew very little except their book learning. These kids are now telling us what we're supposedly doing wrong. I resent it."

But let's not blame large businesses too quickly for their emphasis on structure. Let's also recognize that many human beings desire structure. In an ever-changing world, the hunger for quick answers to troubling questions is quite natural. Structured approaches to problem solving provide comfort to people, many of whom are used to feeling like cogs in a large system. Also, on a deep psychological level, being told what to do protects us from consequences should the change process fail. In these ways, the structured system meets our needs.

On an even deeper level, though, big companies' expectations of the consulting process reinforce the very rules that necessitate many consulting practices in the first place (see Figure 1-2). Most large businesses need consultants because their organizations are not good at change. They have difficulty changing because their systems and practices are not adaptable. Their systems and practices are inflexible because the companies are overly structured and rule-bound, and the parent/child, leader/follower pattern their workforces labor under is an inescapable feature of the underlying rules of its own game.

These rules, in turn, cause large businesses to seek consultants or consulting firms who do a good job of structuring the consulting process to fit their own underlying rules, thereby reinforcing the very dynamic that gave rise to the problems in the first place.

While not all client-consultant relationships follow this pattern, most do—particularly those between large consulting firms and large companies whose expectations define the business landscape.

How Our Educational System Supports the Current Rules of the Game

While the most financially successful consulting models fit the knowledge-centric mold, it did not come from out of the blue. The

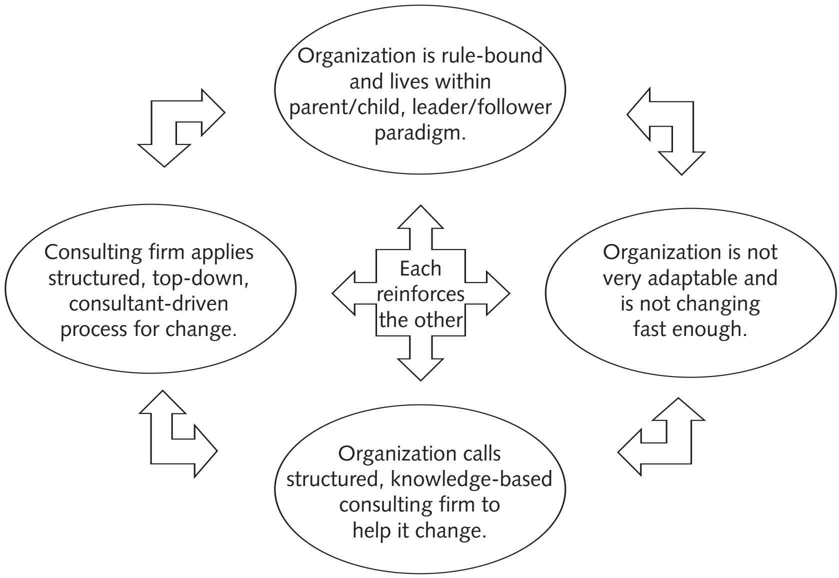

FIGURE 1-2 A SELF-SEALING SYSTEM

primacy of knowledge-based expertise began in our educational system, and is rooted in its bias of *thinking* over *doing*.

This bias is to be expected when the primary purpose of our school system, and of higher education in particular, is to arm students with the knowledge believed necessary for business success. Nearly all of us were trained under this system, and we seldom pause to examine its assumptions about what is important to learn.

Having grown up in this system, consultants pay a great deal of attention to knowledge, and much less to their ability to act upon it effectively. How could it be any different? To earn a higher degree, a student must demonstrate an ability to write papers, pass exams, and—if in a doctoral program—add knowledge to the field through a dissertation. These are primarily "thinking" processes. In short, we are taught about knowledge and thinking, not about effective action.

Our learning institutions reinforce this bias through the system of tenure and promotion and through the structure of their organization itself. For example, most universities obviously value publication over skillful teaching techniques in awarding tenure.

Consider the stereotype of the unkempt, disoriented, nutty professor, as an illustration of the preeminence of brilliance over behavior.*

While good at providing critical knowledge and sometimes developing students' thinking skills, this system is bad at teaching students how to work with others, how to tap into the collective creativity of groups, how to inspire others toward action, or how to create new markets or new products. This kind of competency, this skill in action, requires much more than knowledge or individual thinking skills. It requires interpersonal skills, emotional intelligence, and the ability to create together. This is the stuff of successful organizations in this day and age. Sadly, it is not well taught in our schools at any level.

The Typical Approach to Consulting Is Rapidly Becoming Obsolete

Together, these three factors—our history, the expectations of leading companies, and our systems of higher education—conspire to perpetuate the old system of consulting, in which knowledge is king and the structured demonstration and transfer of that knowledge is its queen. This system, which served us well throughout most of the 20th century, has been so successful that some of its fundamental assumptions are rarely examined. It is a system that's remarkably inflexible. Even worse, as the world of business moves to hyperspeed, it is a system that is rapidly becoming obsolete.

While the expert, leveraged model worked well in the past, the winds of change are howling today. The consulting profession must listen to that call. Change is the norm in this day and age, not stability. The Internet, genetic research, quantum technological advances, and global competition have given rise to a whole new world. Now more than ever before we must question the fundamental assumptions and beliefs underlying the consulting field.

*Lest I leave the wrong impression, I have met numerous professors who don't fit this stereotype, and who have earned their place in both the consulting and academic worlds for their ability to develop knowledge and effectively apply it through resourceful action. They are, however, the exception to the rule.

The remainder of this book explores an alternative way of approaching the consulting process. Ironically, this alternative way is a system without a system. Built instead on a set of principles, this alternative, when effectively applied, causes profound and enduring positive changes in organizational life. This new system—let's call it a model—redefines what it means to be a good consultant, and what it means to add value to our clients. It does not oppose structure, nor does it discount the value of knowledge. Instead, this new model for consulting takes a more holistic view of consulting in which process matters as much as content, and the relationship between consultant and client is primary.

We begin with an overview of the model underlying masterful consulting. Then Parts II through IV look at this model more deeply—exploring closely the three key relationships in consulting mastery: our relationship to clients, our relationship to knowledge, and our relationship to ourselves. In each chapter, you will hear the words of masterful consultants, as well as my own. You will hear examples of counterproductive inner stances and productive ones.

As you read counterproductive ones, I hope you will avoid asking, "Do I do this, or don't I do this?" If you ask that question when looking at a counterproductive stance, you may decide, "Nope, that doesn't apply to me," and then disregard the message. Similarly, when reading about stances that evince mastery, and you say to yourself, "That *is* me," and then miss seeing ways you might bring that principle more into your consulting life. Instead of the "Do I or don't I" question, I invite you to see yourself as a person unfolding, throwing off armor you don't need, and picking up new possibilities and making them your own. So the question is not, "Do I do this?" The question is, "How do I do this, or how can I do this even better?" None of us is perfect in all of these areas, including the masters that I interviewed for this book; indeed, they would be the first to admit their failings. Perhaps if we gently consider how to learn to embody these principles more fully, we may advance toward mastery.

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