

CAREER PATH:**Consulting - MBA****Steps to a Consulting Career****Introduction**

Ross Career Services (RCS) created the *Career Path* series to assist students with the career search process. Each *Career Path* handout examines a common business functional area in which Stephen M. Ross School of Business graduates pursue jobs each year. The first four steps of RCS's recommended career search process are detailed for each specific business field.

Consulting Overview**External consulting-What is external consulting?**

Consulting has long been one of the "high powered" career options available to business school students. Students should conduct a thorough self-assessment, combined with knowledge of the industry, to decide if consulting is the right path to follow for success and satisfaction.

While financial consideration might drive students' desire to join the consulting ranks, this field has other advantages in that it will teach students skills and give exposure to various industries for future career ambitions. Some students do not want to shut the door on other possibilities and consider consulting because they believe the experience gained will be useful regardless of their future career path. While there are definite advantages to a consulting career, it may not be the best choice for everyone. A solid understanding of one's own interests, skills and values is particularly important for students considering consulting.

Considering a backup plan to Consulting is always a good idea. The main reason is that high competition exists among students for the positions available. Secondly, networking will open doors for students who change their minds following a disappointing summer experience.

Why do companies hire consultants?

Companies use consultants for a variety of reasons. One reason is that senior management wants an objective and independent viewpoint to a situation facing the company. Additionally, companies may lack the required skills/experience to analyze and solve a particular business problem. External consultants can bring a degree of objectivity to a situation which may be politically impossible within the corporation.

Experienced consultants also offer a great deal of expertise gained through years of solving similar business challenges. In addition, because of their independence, consultants can often get information from customers and other external contacts that would not be available directly to the company. Finally, many companies do not have the internal human resources to devote to a time-consuming problem.

Internal consulting

Internal consulting is an additional option for those individuals that are attracted to problem solving and project work. Many large corporations have permanent teams of consultants which work on projects throughout the organization. Examples of firms with internal consulting groups are:

- Disney
- Samsung Global
- Miller Coors
- Cargill
- 3M
- General Electric
- Siemens

Working in an internal position can offer many of the learning opportunities of consulting (but usually focused in a specific industry) and less travel than external consulting.

The Consulting Process

The consulting process is essentially team-based problem solving. The typical size of a consulting engagement team is two to six people, depending on the firm. The first step is to research the situation faced by the client in order to uncover the real problem. A novice consultant conducts industry research, internal data collection, client and customer interviewing, and competitive analysis. This data is analyzed and the problem is defined; delineating between symptoms and underlying problems is a key task at this stage. Next, possible solutions to the problem are analyzed in light of the capabilities of the company. The recommendations are then presented to senior management. During the entire process the team frequently works closely with individuals from the company for verification and alignment. Increasingly, clients are retaining consulting firms to assist in implementing their recommendations. As a consultant, you will define, create, review, or enhance your client's organizational programs and procedures, offering ideas based on your own experience. By providing objective viewpoints, reviewing management directives, critiquing business plans, or supplementing the skill of the client's staff, you will advise and recommend a course of action.

A special note for students interested in **Information Management Consulting**: the specific goal of information technology consulting is to create a competitive advantage through the use of computer systems. This is done primarily through the ways listed below:

- Providing better information to decision makers (Executive Information Systems, Cost Systems)
- Automating processes to cut costs, increase efficiency, etc. (A/P, A/R, General Ledger)

Students that pursue this dimension of consulting should expect a blend of IT strategy and implementation

The Consulting Career Search

Step #1: Conduct Self-Assessment:

Consultants, regardless of firm, industry or functional focus, are extremely interested in solving problems. Accordingly, use of quantitative analysis and conceptual thinking to solve these problems plays a key role in the daily work consultants do. As profiled in CareerLeader®, consultants often achieve career satisfaction when applying these interests and skills. It is recommended that students considering consulting utilize the CareerLeader® program to fully understand their interests and motivators.

As previously discussed, strong analytical skills are an obvious must in consulting. You should be able to quickly identify and define problems. Communications skills are also critical, as you work with other team members and various people at the client organization. Another critical skill is being able to function well in an unstructured and ambiguous environment given that there may be very little direction from senior staff. There are no pre-defined approaches to solving many of the situations you will face. Because work settings change frequently, consultants may have to get to know a whole new set of people every few months, and you must be able to easily adapt to changing situations. Teamwork is an essential and constant component of consulting work. In addition to simply “working well” with people, you must be good at assessing them and what motivates them. You will also have to adapt quickly to different industry assignments, new industries, a broad array of problems to solve, various working styles, and changing working environments.

Characteristics/Skills Required for Consulting

- Critical and quick thinking
- Quantitative skills: analysis and synthesis of data
- Communication skills: interviewing, writing, and presenting
- Team oriented / Team player
- Leadership
- Multi-focused
- Adapt to ambiguity
- Take initiative
- Confident
- Creative
- Motivated
- Technical background (IT consulting)

At more senior levels within the organization, consultants must also demonstrate the ability to lead and manage other team members and be able to develop and retain clients. A successful consultant will demonstrate these skills from the beginning of his/her career. Because of the up or out practice in consulting it is mandatory that you prove that you can become a leader of people to be considered for promotion.

Consulting offers intellectual challenge, a variety of assignments in diverse corporate environments, increasing levels of responsibility, the opportunity to work with talented colleagues— including top corporate executives— and a chance to grow professionally. Few opportunities offer the ability to learn as much and progress as fast as a career in consulting. However, an important consideration when evaluating consulting opportunities is lifestyle. Depending on the firm and your client assignment, consultants may spend between two to five days per week on the road. In addition, consultants frequently average between 50 to 70 work hours a week, with even longer hours required at critical project points. Occasional weekend work is also common. Some consulting firms are working to improve employee lifestyle balance by doing more analysis at the firm's home office versus the client site, and by staffing projects regionally. For those with significant family commitments or for those planning a family, it may be beneficial for you to learn about the “part-time” and “leave of absence” policies of the firms that you are interested in.

Career Search Step #2: Investigate Possible Career Opportunities

There are several major categories of consulting companies:

- Strategy consulting
- Operations management consulting
- Information technology consulting

There are also more specialized types of consultants (examples include litigation, compensation, human resources and marketing information)

Recently there has been some blurring of these categories as the strategic consulting firms have begun to offer specialized services while the information systems consulting firms and the accounting firms have expanded their level of strategic consulting. Moreover, an increasing number of large companies are developing their own internal consulting divisions that offer their services throughout the company. Consulting firms can vary in size from large public corporations to very small, independent consultants. Many of the large strategy consulting firms are partnerships. Most consulting firms typically include several management levels:

- Consultant/Analyst (0-4/5 years or pre-MBA) - work with a variety of clients
- Senior Consultant (2/3-5 years) – may begin specialize in given industry
- Manager (5-11 years) - design overall project strategy, run day-to-day operations
- Principal – work with multiple teams and help with problem solving and client interaction
- Partner - sell projects, keep good relationships with former and current client, solve initial business problems, provides help with solving complex problems

The attrition rate for consultants is high; an estimated 50% of MBAs accepting consulting jobs change careers within three years. Those that stay with consulting tend to have a particularly high interest in theoretical thinking, and often become partners. The majority of management consultants with less than six years of experience will transition to careers managing in operating environments, often with an intermediary role in corporate strategic planning or business development.

MBA Career Opportunities: As consultants, newly hired MBAs are charged with learning about the clients' issues and needs, writing proposals, working with the clients' objectives to assemble project plans, and managing the teams toward completion of the projects. Consultants play a very important role in communicating during the project with the client, as well as presenting findings and recommendations.

For students interested in information technology consulting, a typical engagement includes the following phases: Examination of a business problem (not shipping goods to customers on time, large backorders) Evaluate processes causing the problem (planning/production process, distribution process), prepare a business solution and alternatives, feasibility, etc. (distribution control system to be implemented) Design the systems solution (define user requirements) Implement the system (programming, coordinating modules) Testing the system Support of the system (training, transition)

Career Search Step #3: Research and Conclude on Immediate Postgraduate Employers

One of the most important considerations for students considering consulting is to assess what size consulting firm you wish to work for. In addition, you need to learn what kinds of consulting the different firms perform - strategic, operations and/or specialty consulting are several examples. Also, some companies require three to five years of experience in particular fields for some of their divisions. Others require US citizenship or have different recruiting processes for international students. Research can confirm these differences very early in the process. The Consulting Club can help you with international

issues as well. The largest consulting firms are as follows: (*Denotes company that typically recruits on campus)

- A.T. Kearney*
- Accenture*
- Bain & Company, Inc.*
- The Boston Consulting Group*
- Booz Allen Hamilton
- Booz & Company*
- Corporate Executive Board
- Deloitte *
- Diamond *
- IBM Consulting*
- McKinsey & Co.*
- Mercer Management Consulting
- Monitor
- ZS Associates*

Career Search Step #4: Develop a Career Search Strategy

Although some consulting firms conduct on-campus interviews, making a self-directed job search a critical part of your strategy will help you in your career search. For both on and self-directed recruiting, much of your effort will involve research and networking. Several key steps include:

1. **Join the Consulting Club.** This will provide you with the opportunity for exposure to the latest information on consulting recruiting, as well as educational sessions on how to prepare for consulting interviews. The Club also sponsors several case competitions and working sessions which allow you to practice and get feedback from other students and company alumni. You will also have the opportunity to practice the case-style interviews utilized by consulting companies.
2. **Attend corporate presentations and corporate sponsored workshops.** This will provide you with exposure to potential recruiters and help educate you on the industry and recruiting opportunities. These presentations can also help you determine differences, and ultimately your preferences between firms.
3. **Conduct research.** Both iMPact and Kresge Library have resources available to help with your on and off-campus effort. Be sure to review the Consulting Career Packet and several Industry Insider volumes on consulting topics, published by Wet Feet Press and The Vault. Both The Vault and Wet Feet have good case prep guides. Talk to second year students who completed internships with the firms you are interested in. Research companies' websites and pay particular attention on what differentiates one firm versus another. This will help when constructing your small talk on why you are focusing on a specific company.
4. **Network.** Networking is a much smaller component of the career search for consulting than other industries, but it is important as there are so many students pursuing consulting, and good networking may help you secure a spot on the closed list. Typically, speaking with alumni and recruiters who attend on-campus events is adequate. Exceptions to this are students pursuing off-

campus or international opportunities. Alumni contact information is available on iImpact. Make sure when you network you understand the intricacies of different companies.

5. **Case Practice.** This should be a top priority and you should seriously consider working cases on a daily basis. Form a group of 2-4 people and practice together regularly. Case practice should start immediately in Fall B. There is no magic number of cases that will secure you with good case solving. You should practice until you are comfortable taking a case from beginning to end without too much struggle. Also, there are differences in case solving from company to company. Make sure you identify them in time and practice separately for the different approaches.
6. **Prepare Responses to Fit Questions.** Preparing answers to common fit questions that are likely to be asked during an interview is essential. Practice them with other students and /or tape yourself for a more objective view of your performance.

Finally, your search should make full use of the resources provided by RCS. RCS sponsors a number of workshops that will help you market yourself to target firms. Workshops include resume and cover letter preparation, and interviewing skills. Office hours are available for counseling for all aspects of the career search and skill development process. Career consultants and staff members with experience in consulting may be available to provide specific functional perspective.

Summer Internships

Landing a summer internship in consulting is difficult. Historically, less than half of the people interested in consulting are able to get an internship. The majority of people interested in consulting for full-time employment in this field, however, have been more successful. It may be advantageous to have a back-up strategy, especially for summer employment, that helps you reach your longer-term goal or addresses a weakness in your resume, such as business development, strategic planning, or general management. It will be difficult to focus on consulting and investment banking for example. There are several excellent opportunities through the William Davidson Institute (WDI) and the Domestic Corp for consulting experiences. In addition, many large and mid-size companies have internal strategic divisions and one-time consulting projects for summer interns. Finally, if you are interested in consulting in a specific field, such as Financial Services, Consumer Products or Telecommunications, finding a summer internship in that field may position you well for your full-time search.

Commonly Asked Interview Questions (General)

1. Why do you want to go into consulting?
2. Why do you want to work for this firm?

3. Tell us about your skills/strengths.
4. Tell me about your resume.
5. Tell me about your weaknesses.
6. Tell me about your previous industry (ies)/relevant work experience.
7. Tell me about a time when you failed and what you learned from that experience.
8. Describe a problem you have encountered in a work environment and how you've handled it.
9. Give me an example of where you "dropped the ball."
10. Give me an example of where you did something unpopular and had to stand up for yourself at work.
11. Give me an example of a time when you had to work with a difficult team member.
12. Where do you see yourself in five years?
13. Describe a situation where you had to present orally to an important group of people.
14. Describe your leadership style.

The key to consulting Fit questions is that they will ask one broad question and probe deep into this area. They will focus on topics such as cross-functional leadership, teamwork, ambiguity, persuasion.

Mini-Case Interview Questions (less common in MBA recruiting)

1. What advice would you give to the CEO of your former employer?
2. What are key factors driving competition in the last industry in which you worked?
3. What were the key cost components in your former industry?
4. How would you motivate a hostile client to help you?
5. What makes you qualified to give Fortune 500 executives advice?

Case Questions The goal of all case questions is to allow you to demonstrate your creativity, logical thinking, problem solving and analytical skills in a stressful environment.

Type I. Business Problem (Interactive) - Interviewer will highlight a problem such as "Sales are down and I don't know why. What should I do?" You attempt to understand the issues and develop recommendations by asking questions within a logical framework.

Type II. Business Problem (No questions) - Interviewer will highlight a problem and ask you to describe how you would attack the problem - How would you frame the problem? What questions would you ask? What data would you seek out?

Type III. “Wacky” Problem (No questions) - Interviewer will ask a seemingly unanswerable question like “How many baseballs are there in Montana?” This type of question has no “right” answer, but the logic you use and assumptions you make are critical. This type of case is less common for MBA recruiting.

Tips from alumni concerning interviews: Be prepared for your interview to begin with a big, strategic question. For example, “Our client, a widget manufacturer, is considering divesting one of his divisions. What are some of the issues you should consider in deciding whether to divest a business?”

This is a common interview style. The interviewer is asking you to give him around 4 or 5 big strategic considerations that are relevant to the question at hand. AFTER you have listed them, the interviewer will typically help you to identify which of these issues are relevant in this case; then you’ll be able to dig in and explore the issue in some detail. Do not dig immediately into great detail rather than staying high-level, as you have been asked to do. Listen carefully to what the interviewer is asking, especially in that initial question. With practice you can improve your skill in identifying relevant strategic issues. Here is one way to do it: As you go about your daily life, invent little problems for yourself: what are some of the issues to consider in deciding whether to forward-integrate? In deciding whether to enter a new market? Get in the habit of inventing these scenarios and then provide 4-5 interesting points in response. This mimics the interview experience; you will find it helpful in preparing for interviews.

Bibliography of Information Resources

[MBA CareerLeader](#) found on the Career tab on iMpack®

Various issues published by Wet Feet Press® and The Vault®

Management Consulting by Harvard Business School

Consultant’s News available in the library. This newsletter provides current information on the consulting industry and frequently includes informative articles describing the firms.

Wet Feet Press available in the library, or through the Kresge website:

<http://www.bus.umich.edu/kresgelibrary/resources/databases.htm>

Case books provided by the consulting club. [Case In Point](#) is an excellent resource

The Consulting Club Survival Guide