Centre *for* Management Consulting Excellence

Consulting Skills for 2030

The Centre has been established by the
.

▮ Foreword

Whatever it may hold, the future will surely come and we need to be prepared for it. But we are truly explorers; no one has visited the land of the future so all we can do is look for clues in the present and extrapolate from them.

And this we have done in the first major project of the Centre for Management Consulting Excellence, in predicting the skills that management consultants might need in 2030. We have gathered the views of a large number of informed individuals on what they see to be some of the major factors influencing the future consulting environment, and the implications of these for management consultants.

Talent is the stock in trade of management consulting, and failure to be able to meet the needs of clients makes the individual consultant redundant and the consulting firm irrelevant. So as well as competing for the business of clients, consulting businesses compete for talent. But what are the critical features of talent for the coming years? How should that influence the recruitment and training policies of consulting businesses?

Our research shows that some of the traditional skills of consultants will remain as relevant as they are today – we have called these "timeless skills" – but rapidly evolving technology will create new needs and call on new skills that individual consultants and their practices will need to develop and nurture over the coming years.

This report into Consulting Skills for 2030 should provide those who are charged with making critical decisions about preparing for the future with a better informed basis for doing so. They may include students thinking about the selection of subjects to study; consulting firms considering the areas in which they may develop valuable services; organisations wondering about the expertise they should perhaps in-source rather than outsource; or educational organisations shaping programmes for the future.

We are grateful to Chris Sutton, who led this project, to his team for the work they have done over 2018 in conducting and analysing this research, and to all those respondents who contributed to it.

We are also delighted to be working in partnership in 2019 with Sheffield Haworth, who have sponsored the report into this research. Sheffield Haworth's Business & Professional Services practice has a long history of delivering executive search into the consulting sector and through their Consulting Solutions practice are a leading provider of independent consultants and interim managers.

The Centre for Management Consulting Excellence aims through its research, events and other activities to provide real support to practitioners. I trust that we have honoured this goal in this report, which I hope you will find interesting and of value in sustaining and developing excellence in management consulting.

Calvert Markham
Director – Centre for Management Consulting Excellence

Contents

■ 1. Executive Summary

In 2018 the Centre for Management Consulting Excellence (CMCE), a pro-bono organisation that brings together management consultants, academics and other stakeholders in the management consulting community, conducted research into the skills that management consultants will need to sell and deliver assignments in 2030.

We sourced data from 157 respondents through face to face interviews and an online survey. The respondents comprised not only consultants and their clients, but a broad range of stakeholders. The consultants came from both large and small firms, and many have management experience in industry.

Respondents were asked to rank and comment on a number of technology and societal drivers of change, in terms of the scale of their likely impact on the skills needed by consultants. The survey then asked whether the traditional skills of a consultant (change management and the like) would still be relevant by 2030. We also gave space in the survey for respondents to provide unprompted insights.

Cyber Security (as a risk management skill) came out top in the impact rankings, with cyber risks being seen by respondents as a potential massive roadblock to a digital future beset by "unknown unknowns". How to assess the risks, and how much of an organisation's limited resources should be expended, in a context where assailants are out to destroy your business or steal your IP? While there will continue to be a technical battle between the good and bad guys, management consultants will be expected to drive board level discussions on steering their clients' businesses through the cyber minefield.

In second place came AI (Artificial or Augmented Intelligence). There was a huge polarisation of views; some respondents see AI as huge disruptor, others see consultants taking it in their stride. Several respondents argue that the full impact will be felt by 2040 not 2030. New consulting skills will be in demand in framing questions, assessing how AI insights can be translated into human capabilities to deliver results, and advising on ethical implications and accountability.

In third place came the trend among consultants towards self-employment. Respondents agreed that concepts such as portfolio careers and work/life balances are here to stay, while also recognising that much of the new technology (AI engines, for example) will demand a level of investment that only big consultancies can afford. Will there be anti-trust legislation by 2030 if big firms act as AI monopolists? Respondents also commented about the pressures for independent consultants to both deliver and sell, with a new breed of agencies already offering to sell.

While coming out lower in the impact rankings, the other prompted themes – Big Data, Globalisation, Internet of Things and Robotics all generated incisive comments.

Timeless consulting skills such as senior relationship building and change management will remain very important in 2030, as humans look to humans to contextualise and interpret the recommendations that technology will generate. This comes with two provisos – consultants must invest in understanding the new technologies if they are going to be able to interpret them, and they must beware the dangers of interpreting purely through the lens of past experience. The T-shaped consultants of 2030 (combining both deep specialist and broad generalist ability) must also need resilience in order to thrive at an increased pace of change.

The most frequently mentioned "new skills" that consultants will need, according to our respondents, are

New Technology | Cyber Security | Innovation | Self-promotion | Cultural adaptation | Empathy

There will be a change, and perhaps some reduction, in the opportunities for junior consultants to enter the market, with AI and Robotics taking over some of today's entry-level consulting activity. Yet there will be new junior roles in scrubbing and keeping secure, at an industrial scale, the data that will feed the new technologies. We will also see an increased percentage of data scientists on many consulting assignments.

We asked our respondents: "All things considered, what change will there be in Consulting Skills needed in 2030 versus today?"

The overwhelming answer from our respondents is that the impact will be incremental, not radical. It suggests that adaptable consultants can march forward to 2030 in their stride. But the survey data rings an alarm bell for consultants when the results of consultants and non-consultants are compared. Non-consultants see the impact of cyber security, AI and self-employment on consultant's skills as being much more radical by 2030 than do the consultants themselves.

There are some powerful implications here, which might lead to two alternative conclusions.

Consultants see the world through a filter of "we have seen changes before, we will overcome" and are better prepared than their clients give them credit for.

Or

Consultants are under-estimating challenges that are much more evident to the clients that they seek to serve, calling in to question whether they will have the knowledge and aptitude to be of use to clients in 2030.

Both are valid hypotheses, and of course for the management consulting profession the first one comes across more comfortably than the second.

Yet it could be disastrous to ignore the second conclusion.

Consultants must direct their inquisitiveness and knowledge building to get to grips with what is happening with new technologies and demographic trends, and to understand better the implications that these will have both for their clients and their clients' customers. These are not all things that are fully known today, but that fact cannot be an excuse for any complacency. Clients need consultants to be thinking ahead of them, not lagging behind.

The CMCE wishes to thank all the people who gave their time to participate in the research, and the MBA students from Coventry University in London and Cass Business School for their invaluable support in collecting and analysing the data.

◼ 2. Introduction

We are living in a time of considerable technological and social change, and organisations will need to respond to this. So too will the services offered by the management consultants who aspire to support them. But will this require any significant change in the skills that individual consultants will need?

The Consulting Skills for 2030 research project was therefore established to understand the future of the management consultancy profession. It has been conducted over the course of 2018 by the Centre for Management Consulting Excellence (CMCE), a pro-bono organisation that brings together management consultants, academics, and other stakeholders in the management consulting community. CMCE is a subsidiary of the Worshipful Company of Management Consultants, a modern livery company based in the City of London.

At the start of the research, the project group identified a number of themes that they considered merited particular examination:

Social / demographic themes

Impacts of increased self-employment

Impacts of globalisation

Technology-related drivers of future change

Artificial Intelligence

Big data

Robotics

Cyber Security

Internet of Things
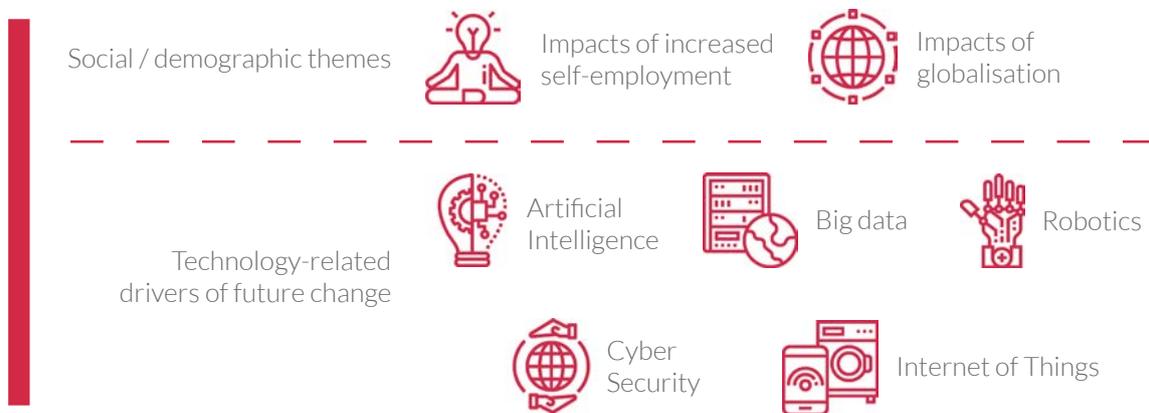
The research consisted of face to face interviews and an online survey. As well as the themes noted above, we also asked respondents to tell us to what extent "timeless" skills of consultants such as Project Management, Change Management and Data Analysis (amongst others) would still be relevant in 2030.

Finally, we left plenty of room in the survey for respondents to provide their own unprompted ideas.

The research took place from April to July 2018 and 157 people took part. The interviews, survey and subsequent analysis were managed by CMCE with the support of MBA students at both Coventry University in London and Cass Business School, as part of their degree coursework.

Following the completion of the survey, we developed and refined our conclusions at a number of events, including the CMCE's Global Symposium in London in November 2018 which attracted a highly participative audience of over 70 consultants and academics.

The results of the survey were presented to the Global Symposium by Chris Sutton from the CMCE, who led the project, with panellists Chris Hay, Distinguished Engineer at IBM iX, Mark Goyder, academic and founder of "Tomorrow's Company" and Sir George Cox, recent Pro-Chancellor of Warwick University with extensive leadership experience in the consulting industry.

This report is a distillation of both the findings of the research and a commentary on it.

3. The challenge of predicting 12 years ahead

At our Global Symposium our panellists all emphasised the challenge of predicting one year, let alone 12 years, ahead. Going back 12 years many of the devices and social media platforms that are prevalent today were in their infancy, and some major disruptive business models – such as Uber in the taxi market – were yet to cause incumbent providers sleepless nights. Likewise, some of the profound political changes in many countries during the last five years were not predicted by the majority of people twelve years ago.

There is also a danger in making predictions based on what we know today, as it leans towards incremental adaptation and may not see the radical breakthroughs. Take as an example how banking has reached vast underserved markets in developing countries via mobile phones, completely leapfrogging (inadequate) landline infrastructure.

With these provisos, it remains important for those in the consulting industry to look ahead, to plan for their future investments, partnering / acquisition strategies, resourcing, knowledge acquisition and training needs. Most importantly, it is critical for consultants to have an informed view on which to base their advice and support to clients.

4. A surprising initial finding from the survey

In the survey, we asked respondents to rank each driver of change, in terms of its likely impact on the skills that will be needed by consultants by 2030.

	Radical	Significant	Radical or Significant
Cyber Security	38	39	77
AI	33	43	76
Self Employment	29	46	75
Big Data	32	40	72
Globalisation	25	43	68
IoT	23	31	54
Robotics	26	27	53

The figures above show percentage of respondents. For example, 77% of respondents thought the impact of Cyber Security will be radical or significant. The remaining 23% thought the impact would be moderate or negligible. 100% would represent 157 respondents.

Before the survey was launched, a straw poll of people in the CMCE would have predicted the biggest impact to be that of AI ("Artificial Intelligence", or "Augmented Intelligence" as defined within IBM). Although AI does indeed rank highly, the top-ranking driver of change according to survey respondents is Cyber Security.

We examine each of these drivers in more detail in the following sections, listed in the order in which they appear in the table above.

It should be stressed that there are many interdependencies between the technology themes in the table above. One respondent commented that a real breakthrough will come when Robotic Process Automation is driven by Artificial Intelligence which is in turn driven by Big Data, which itself will be sourced increasingly from the Internet of Things.

5. Cybersecurity

To what extent will the consulting skills needed in the market to find, sell, and deliver work change by 2030, driven by increased Cyber Security challenges?

Very significant / radically changes the way the whole consultancy market operates — 37.6%

Significant / most consultants will need to acquire new skills across the market — 39.5%

Moderate / more activity than today but only in specialist parts of the market — 19.1%

Negligible impact — 3.8%
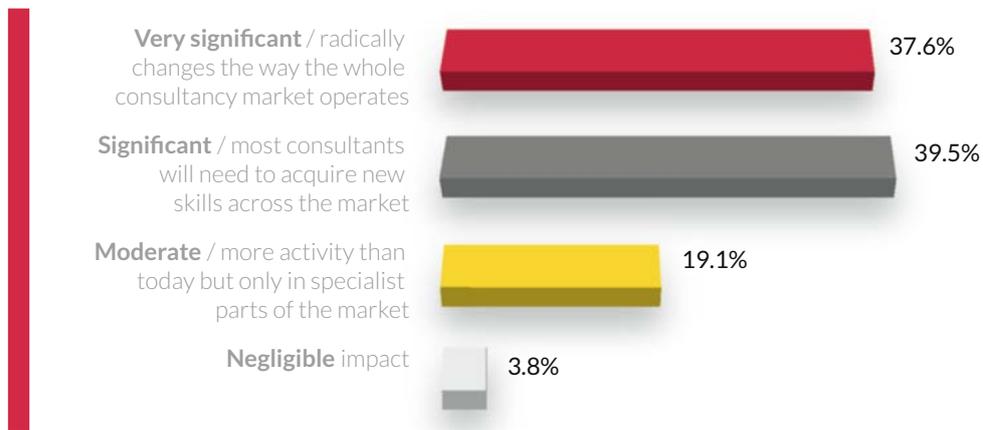
Drivers of change

Cyber Security came out top in the survey because of its potential to be a massive roadblock on our journey to a digital future.

Cyber Security is seen as the biggest risk faced by organisations, and our respondents state that knowledge in clients about cyber is woefully poor. "We are reaching a tipping point"

Increasingly companies are being faced with many more "unknown unknowns", the understanding of the risks and potential solutions is rapidly running ahead of current management capabilities.

There are big policy questions for governments regarding the right balance between data protection and increasing security, and how best to allocate limited resources. Similar issues are faced by businesses looking to make use of AI and big data; how to assure patients that their health data is protected, how to ensure that data used in AI is clean and secure. As the size of and reliance on big data increases, so does the cyber problem.

The cyber threat has moved on from the amateur hacker; it is now played out in a context of big investments by agencies who seek to either destroy or to steal. Both of these can bring a business to its knees.

Implications for the skills consultants will need by 2030

For management consultants, this is a risk management rather than technical opportunity. The issue is moving up into the C-suite, from the IT department. It is a fundamental business risk rather than a purely technological problem.

There will be an increasing demand for technical skills, as the good guys and the bad guys do battle, but the management consulting industry needs to build and enhance skills in evaluating cyber security needs, proposing strategies and investments, business process improvements and information management architectures.

Management consultants will need to be adept at helping clients make decisions in complex regulatory and legislative contexts.

The skill itself is probably table stakes by 2030. Unless consultants can address end-to-end Cyber Security issues and requirements – if not themselves then at least by orchestrating others who can do so – then the market of 2030 is likely to shun their offers to assist clients with business strategies and solutions.

Big consultancy firms will have the skills in house, smaller ones will need to network with experts.

6. AI – Artificial Intelligence

To what extent will the consulting skills needed in the market to find, sell, and deliver work change by 2030, due to more pervasive use of AI (artificial intelligence)?

Very significant / radically changes the way the whole consultancy market operates — 33.1%

Significant / most consultants will need to acquire new skills across the market — 43.3%

Moderate / more activity than today but only in specialist parts of the market — 21%

Negligible impact — 2.5%
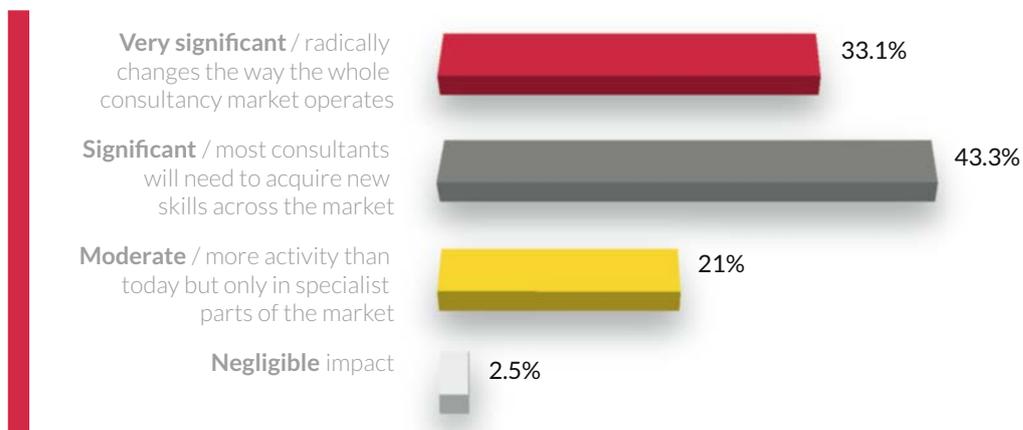
Drivers of change

There is a huge polarisation of views among respondents on AI. Some see AI as huge disruptor, others see consultants taking it in their stride. Several respondents argue that the full impact will be felt by 2040 not 2030.

One respondent states that "In the years 2020-2030 AI will be the main competitive battleground for large and medium sized consultancies." Another respondent observes: "You need deep pockets to invest in this area; there are major barriers to entry for smaller players".

There is a significant group of respondents who think that there is more than a little hype in the world of AI, in terms of its impact on generating real value for business. They feel that the opportunities are often overstated and the risks seriously misunderstood. They add that there are few seasoned consultants in the market today who have real learning, insights and "scars" from successful and unsuccessful AI deployments.

Board level strategists, they suggest, should take AI with a big pinch of salt. "Nothing will change based on AI. Take the 2008 crash as an example, we had gamblers in charge at the global banks. So much of their decision making was based on subjectivity, and that will not change"

Yet good money is pouring into AI, presumably with a view that it will generate good returns before 2030. It is big money too – no western corporate is likely to be investing as much today as is China.

So where is management consultancy going to add most value? If AI is doing the "grunt" work, acquiring information and knowledge far more rapidly than humans and potentially seeing some patterns that humans might miss, then the consensus is that the value of consultants will be to frame the questions for AI to answer. The value of the consultant will be in the use of knowledge, not the knowledge itself. AI tells you "what", the consultant helps tell you "how". Fine, say the advocates of AI, but don't tell us "how" purely through the lens of legacy experience.

Implications for the skills consultants will need by 2030

Advocates of the importance of consulting in AI argue that consultants will need to own / contribute to algorithms or face exclusion. Others comment that organisations involved today in information arbitrage and outsourcing will see existential threats.

AI disrupts the pyramid model of consultancy, which has historically generated revenue and margins from junior consultants. One respondent observed that while the volume of consulting will grow, the volume of consultants will not grow as fast. AI will be doing a lot of routine work - individuals will need to 'up-skill' to get jobs.

By 2030 there will be a real need for people who can understand and interpret what the machine learning is doing. Data quality, data structuring and the unintentional (or not?) bias will be big themes

We will also need consultants to advise on both the ethical issues and also on when you need to have humans in the loop – witness concerns in the US about algorithms which result in social

exclusion. This an emerging issue, as AI has not yet got to the point where ethical decisions need to be paramount.

As AI gets bigger, important questions will arise around accountability – who made the decision: was it the software firm, the consultancy, an individual or a machine? This begins to sound like a risk management opportunity.

Our panellist Chris Hay from IBM pointed out that today the scope of AI is narrow, but it is on the cusp of becoming much wider. Twelve years to 2030 allows plenty of time for widening. He also posed a key question about whether all AI will point to the same answers for a given problem. "If every system has the same insight, there is no competitive advantage." This leads to new areas of consulting - which AI is producing the right answer and why? But the ability to answer that question will demand a better understanding of the world of AI than most consultants have today.

We may see more of a distinction in future between AI as a service offering, and AI as an advisory consulting offering. All said, AI consultancy will be a big driver of change in the consultancy profession through 2030 and beyond.

7. Self employment

To what extent will the consulting skills needed in the market to find, sell, and deliver work change by 2030, due to increased self-employment among consultants?

Very significant / radically changes the way the whole consultancy market operates — 29.3%

Significant / most consultants will need to acquire new skills across the market — 45.9%

Moderate / more activity than today but only in specialist parts of the market — 19.7%

Negligible impact — 5.1%
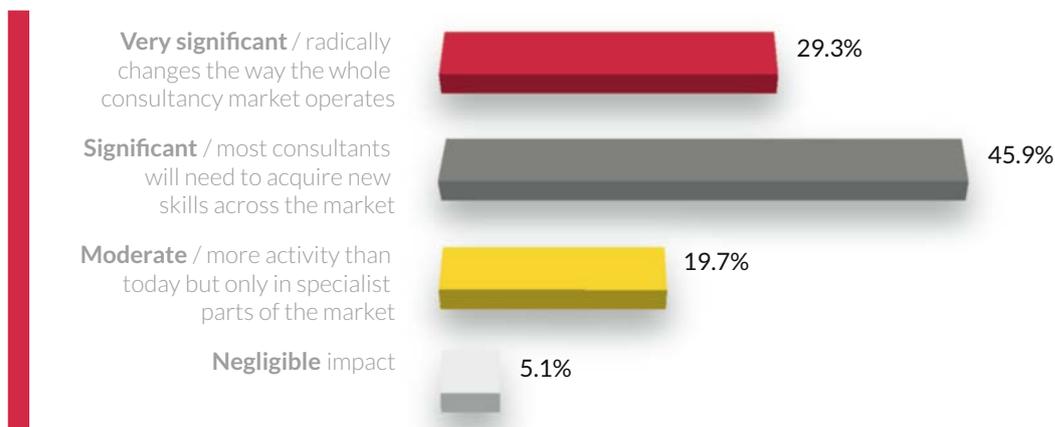
Drivers of change

There is a consensus among respondents that the supply market has shifted, career aspirations have changed and have moved away from a "job for life" (which are in short supply anyway). Diversity is key and independents are increasing their share of the consulting market. Work / life balances, portfolio careers and a more fragmented employment landscape won't go away, and the consulting profession will continue to adapt to changes in its supply market.

This impacts clients as well – in some cases consultants and / or interims are the glue that holds their client organisations together. Will organisations continue to hollow out? Will systems be able to replace corporate memory, when the consultants move on?

Yet respondents see natural limits to a market purely of single independent consultants, in that "the majority of people still want to belong to something."

Consultants can leave firms to join clients, just as much as to become independent consultants. Arguably, the more ex-consultants an organisation hires, the less opportunity for consulting assignments to come to market. Set against this the fact that ex-consultants may still need to bring in capacity to deliver the changes that are expected of them.

Large consulting firms also are showing an increased appetite to use independent consultants as associates / contractors, reducing their fixed costs.

One important advantage for large firms is their ability to invest, and this will be of increasing importance in the years to 2030. Some of the technology drivers of change will require deep pockets, not least the development of AI engines at scale. To the extent that AI reduces some of the junior consultant roles in the market, large firms will no longer have today's pyramid organisation models, and by 2030 will be looking to earn their margins on the return from AI investment rather than on the billable hours of junior staff.

Implications for the skills consultants will need by 2030

Consultancies using associates are parasitic on earlier training and experience. To the extent that there may be fewer junior consulting roles and therefore less training of junior consultants, it may be that consultancy has to return to recruiting experienced managers with no consultancy background. This in turn would create some challenges for training functions and for those who are charged with developing consistent company cultures and delivery methodologies. The theme of roles for junior consultants is picked up again later in this report.

How will self-employed independents gain access to AI engines? Respondents foresee the need for networks of consultants with complementary skills, and perhaps meta-consultants who provide AI services to multiple independents. We might even see anti-trust legislation in 2030 if a few large players are seen to monopolise the provision of AI.

Some respondents comment that clients are looking for co-designers, rather than consultants who trade on copyrighted knowledge, a model which is likely to favour independents. In this context personal brand can be more important than corporate brand.

The independent consulting market will get increasingly competitive, and will attract not just pure consultants but also people from adjacent industries (for example public relations) who will look to sell consulting services at a very competitive price.

A perennial challenge for independents is to find the time for, and be effective at, both selling and delivery. This calls for strong networking skills, and an understanding of how to build trust in a social media world. It may also be the case before 2030 that clients evaluate proposals using AI, and

therefore consultants may need to become skilled in adding appropriate tags within their proposals.

There will always be a limit on the number of consultants that a client is prepared to consider for an opportunity. This is not a problem for those independents fortunate to have strong relationships and effective networks of recommenders. But there is a growing opportunity for agencies as a channel to market for independents, assuming that such agencies can embrace the ethos of management consultancy and meet both client and consultant expectations. We have seen in the past decade how interim service providers have distinguished themselves from temporary staff agencies, and are now seeing such agencies launch new brands to further distinguish consultancy services from Interim services. Sheffield Haworth's Consulting Solutions practice is a good example of this trend**.**

The contracting of consulting assignments is a risk-reward equation, and will continue to be so in 2030. The ability to underwrite risk will favour large firms in the future, as it does today. Independents will be constrained to opportunities within the limits of their Professional Indemnity Insurance. A big question for the agencies who are entering the consulting market is whether they will be prepared to underwrite the risk of the assignments into which they place consultants, especially if they are placing teams of consultants. This would be new territory for the agencies.
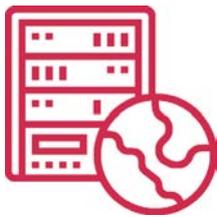
8. Big Data

To what extent will the consulting skills needed in the market to find, sell, and deliver work change by 2030, due to more pervasive use of Big Data?

Very significant / radically changes the way the whole consultancy market operates	32.5%
Significant / most consultants will need to acquire new skills across the market	39.5%
Moderate / more activity than today but only in specialist parts of the market	26.1%
Negligible impact	1.9%
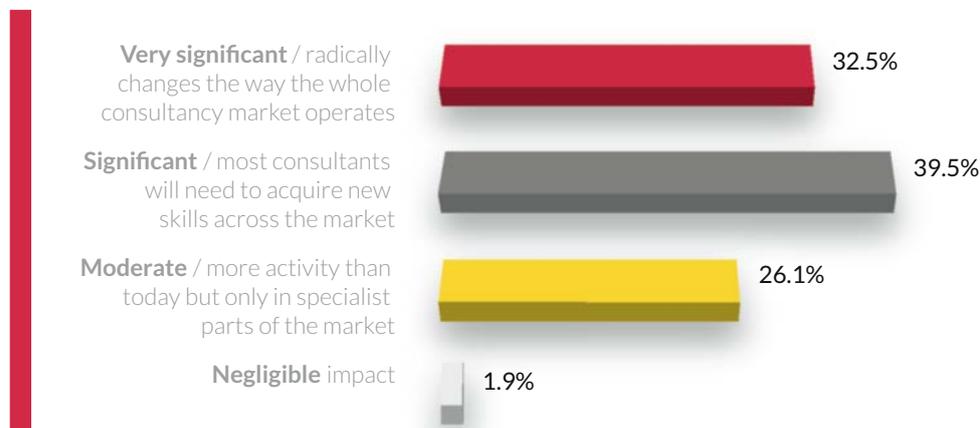
Drivers of change

Big data is a "here and now" challenge and opportunity for consultants. As one respondent stated, "This will be massive in 2020, not sure about 2030".

The data is there in massive amounts, and must be managed "at scale". How to use it, how to manage it? How much CCTV video imagery should be kept and for how long (setting aside for a moment the data protection regulations)? There are nuggets of really important value to be extracted and

compared. If storage and processing power is a cheap infinite resource, then the limiting factor becomes the ability of governments and businesses to model, understand and use the data.

This requires investment, and CEOs will need guidance in making the right Big Data investments.

One respondent commented that by 2030 the availability of data will ease out, but the challenges of how to sieve out the waste, cleanse the data and remain economical with time and money will sustain the consulting market.

Then there is the consumer perspective – "heavily reliant on, but increasingly fed up with big data services". If it gets to the point where consumers are saying that more wrong assumptions than right assumptions are being made about them, then we may see that retail organisations in particular become increasingly wary of big data solutions. Advocates of big data, on the other hand, will simply suggest more fine tuning of their models.

Implications for the skills consultants will need by 2030

For consultants, advising on investments in big data and on the management, interpretation and usage of data is likely to be more important by 2030 than the sourcing of data. With increasing democratisation of information via the internet, "possession" of data is no longer a source of competitive advantage.

There has always been a role in consulting for people who can think up new and imaginative ways of finding and using data to create valuable information. With the democratisation of information, the skills required are shifting more in the direction of data analytics, or at least knowing how to exploit data analytics. But as new questions arise, the challenge of finding or collecting the data to answer them is unlikely to go away.

9. Globalisation

To what extent will the consulting skills needed in the market to find, sell, and deliver work change by 2030, due to increasing / decreasing globalisation?

Very significant / radically changes the way the whole consultancy market operates — 24.8%

Significant / most consultants will need to acquire new skills across the market — 42.7%

Moderate / more activity than today but only in specialist parts of the market — 28%

Negligible impact — 4.5%
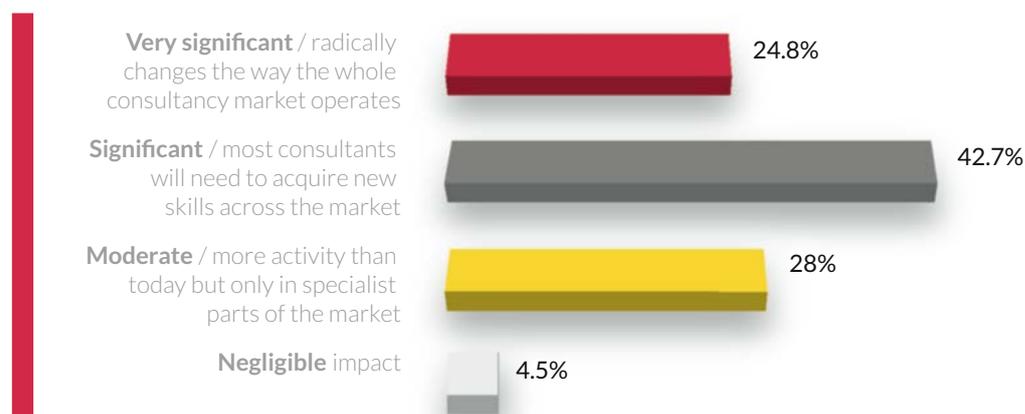
Drivers of change

Respondents were evenly divided on the question of whether there will be more or less globalisation socially and politically in 2030 compared with today. One respondent commented "I think in the next five years, driven in part by politics, globalisation will retreat back from its current high-water mark. I think that by 2030 it will be hovering around where it is today."

At the Global Symposium participants reflected on the increasing insecurity and volatility of our world. Mark Goyder commented on the paradox that providing care for the aged is the top societal concern of the UK population, yet much of it has been outsourced under a model from which private providers now seem keen to walk away.

Mark Goyder commented on a sense of disconnect between individuals and governments, that utilitarian models have outlived their relevance, and that some of the corporate and social power models that shaped the last 50 years are on the wane. Some of our key infrastructure management concepts carry more risk than is comfortable, for example our reliance on electricity. One respondent suggested a possible backlash against over-use of technology in our lives – it won't destroy technology, but it will have an impact on its pervasive use.

Aside from a digital apocalypse, there are technology and social drivers that will continue to drive globalisation irrespective of politics, now and in the years to 2030.

Implications for the skills consultants will need by 2030

Organisations will be both more digital and more virtual by 2030. Both these trends will make geography far less important than currently. This creates entirely new demands for both clients and consultants in that timeframe.

Big corporates will continue to have a "reach" advantage in 2030, so long as they can combine global and local knowledge. Clients will always value 'experience from elsewhere', so long as it is provided within the context of their local situations. Consultants need language, communication, and cultural skills to thrive in a global environment.

By 2030 there may be effective global networks of individual consultants, who have developed fit-for-purpose governance and collaboration structures. This would be a significant threat to large incumbent firms.

10. Internet of Things (IoT)

To what extent will the consulting skills needed in the market to find, sell, and deliver work change by 2030, due to more pervasive use of the Internet of Things?

Very significant / radically changes the way the whole consultancy market operates — 22.9%

Significant / most consultants will need to acquire new skills across the market — 31.2%

Moderate / more activity than today but only in specialist parts of the market — 37.6%

Negligible impact — 8.3%
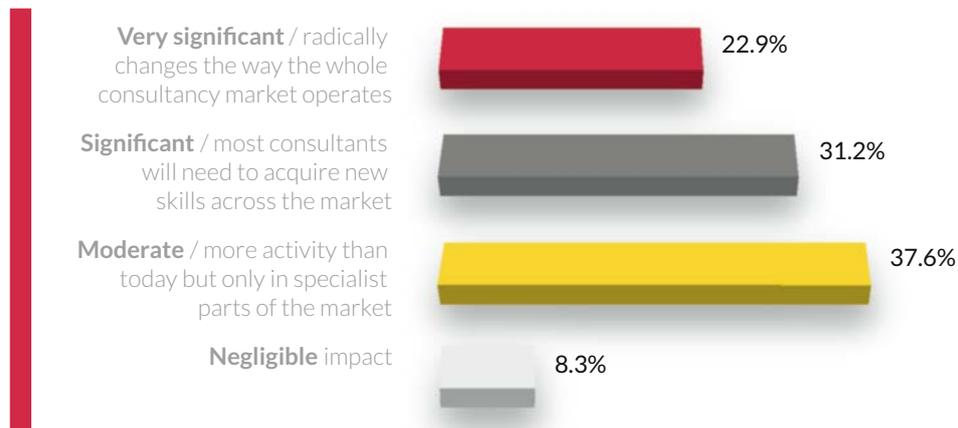
Drivers of change

A significant number of respondents think the Internet of Things is not going to impact the skills consultants need.

However there are big implications to consider, especially for supply chain and "first responder" business models.

IoT can have a big impact on business models – insurance for driverless cars, healthcare with wearable sensors, supply chain models for restocking your fridge. Whereas the simple observation that "my fridge has alerted me that I need more milk" is akin to saying "I could have opened the fridge door myself and reached the same conclusion", there are big supply chain consultancy opportunities at play. Does my neighbour's fridge give the same information? Am I as supplier liable if the milk in my customer's fridge is not fresh? Can I sue the manufacturer of the fridge?

Implications for the skills consultants will need by 2030

IoT gives consultants opportunities to connect more closely with clients and their supply chains, and to serve clients in the heartlands of their business operations. It also enables researchers and marketers to do more tailored experiments, thus enabling data scientists to test hypotheses that are suggested by patterns spotted by AI.

11. Robotics

To what extent will the consulting skills needed in the market to find, sell, and deliver work change by 2030, due to the prevalence of Robotics?

Very significant / radically changes the way the whole consultancy market operates — 25.5%

Significant / most consultants will need to acquire new skills across the market — 27.4%

Moderate / more activity than today but only in specialist parts of the market — 38.9%

Negligible impact — 8.3%
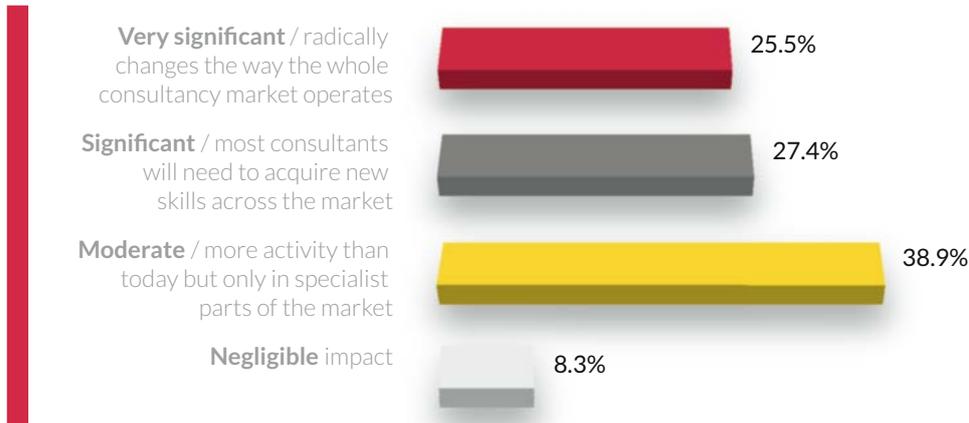
Drivers of change

There is some overlap between Robotics and AI. in the survey we set out the traditional definition of robotics as the science of machines that replicate human actions, 'actions' being a key component of the definition. AI by contrast is the provider of knowledge and insights without an inherent assumption that action will be taken.

Our survey respondents were not excited about Robotic Process Automation (RPA). "This is not a new theme, it has been around for a while". "It could be over by 2030 as a consulting opportunity".

RPA has its roots in quick and dirty systems integration; "if it is too risky to mess with the core processing activities of the system, then let us simply automate the data capture activities that feed into the system".

One respondent observed that "We are talking about software here, sold as licences, not management consultancy". The consultancy opportunity is not in writing the code, but in integrating the results into the organisation's operating models.

Implications for the skills consultants will need by 2030

Entry level jobs and data collection roles are certainly at risk where RPA has been adopted. This statement would not be a surprise to 19th century factory managers. RPA is the latest in a stream of factory efficiency tools. The challenge is that it has now caught up with IT data capture jobs.

One respondent commented that "the most effective outcome will be human – robot pairing", including (but not limited to) tele-robotics where robots are controlled remotely. This in turn has big implications for business process consulting. The consultant will need to see the world from the lens of the robot and (one assumes) vice versa.

Another respondent observed on the societal / economic implications: "Will 2030 see taxation on robots to pay for human benefits?" "If there are fewer jobs, there are fewer consumers, impacting spending." There could be significant consulting opportunities here in the area of fiscal policy.

The CMCE Global Symposium in 2018 was headlined as "The rise of the robo-consultant?".

This is a core question for the profession. We have witnessed the inroads that robotic advisors have made into the arena of financial services advice, as one example. Will robotics take over the consultancy profession?

The collective answer from the Global Symposium was that robotic consultants will be 2030's collectors of knowledge. But clients will want human consulting support in framing the questions, and in advising humans on how to use the knowledge; they will probably be asking consultants and auditors to communicate the answers direct to their robots as well.

There remains of course a paradox of automation, commented on by one of our survey respondents: – humans will only be needed where things go wrong, but somehow need to develop those skills. An example is the simulator training of airline pilots to respond to critical incidents, when the auto-pilot gets it wrong.

12. "Timeless" skills

To what extent will consulting skills such a stakeholder management, project management, change management, etc remain important?

Very significant / radically changes the way the whole consultancy market operates	61.8%
Significant / most consultants will need to acquire new skills across the market	33.1%
Moderate / more activity than today but only in specialist parts of the market	3.2%
Negligible impact	1.9%
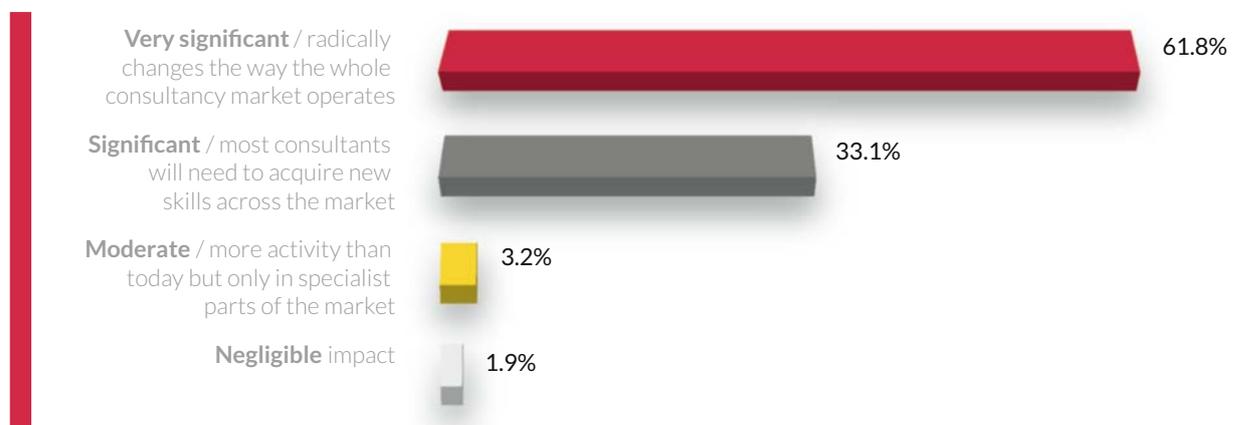
This question triggered many interesting responses in our survey.

"I have been consulting for almost 35 years - history does not repeat itself, but it rhymes - and there is no substitute for experience. Each new wave of technology throws up new challenges - e.g. blockchain requires skills in building consortia and business networks - but it's the same analytical skills and business experience required to address them - it's a question of adapt and overcome."

And what do we mean by timeless skills? Change management, Project Management, Stakeholder Management and Data Analysis are just some.

One respondent suggested the timeless skills as core personal attributes: "Intellectual curiosity, Senior relationship building, Presence and Influence, Imagination, Courage, Empathy."

The following comments illustrate the point well:

- ■ "Subject matter expertise will move on, but the ability to engage remains largely the same."

- ■ "IT departments develop new solutions but lack the people skills to get them accepted in their organisations."

- ■ "Consultants will compete...in a more fragmented market. Ready access to information on the internet devalues knowledge per se. Skills such as managing customer relationships...will be increasingly important."

- ■ "Top-level advice from trusted individuals will continue, as it has done since time immemorial."

Our Global Symposium participants talked extensively about Trust in a fake news world, and how trustworthiness must be an existential facet of the consulting industry. The value of Trust has its ups and downs. We cannot predict where Trust will be, how it will be judged in 2030, but it is clearly essential that the consultancy profession maintains trust as one of its core values.

The more that new technology is introduced, the more the risk and thus the opportunity for consultants who can interpret the technology for other humans. Good consultants will be able to contextualise with an incisive understanding of how new technologies work.

How do these new technologies work? How to get value from them? One respondent observed how clients shop for the technical skill and get soft skills as a by-product, stating that the industry needs to get better at selling the soft skills which will make all the difference to clients.

Respondents to the survey wondered whether management consultancy will become a specialist technology area by 2030, or whether the increase in specialism will drive an increased demand for generalist consultants with business savvy, and a deep and seasoned understanding of the business issues involved.

The balance of responses in the survey favours the demand for generalists, but with a clear imperative that they must get to grips with the new technologies in order to provide strategic

contextual advice. This resonates with the concept of the 'T-shaped consultant' which people used to refer to, someone who specialised in a particular area but had broad general skills.

One respondent commented that "we may have passed 'peak consultant' in terms of the ongoing transmission of these skills (and values) by corporate means such as mass graduate recruitment. So while the *need* for these skills may not have gone away the learning curve to acquire them may become more individual and steeper. To the extent that technology is a major entry point for junior consultants, then there may or may not be additional learning required in terms of the acquisition of broad business and networking skills."

The increasing pace of technology change will add pressure on consultants. Speed and resilience will be of the essence, in a development culture of more and more high-pressure sprints, and an increasingly high bar over which consultants must perform.

13. Capacity and uncertainty

The flightpath to 2030 is not completely clear for consultants. Not surprisingly, it is not completely clear for clients either.

Many companies have a major competence gap in using technologies such a Big Data, AI and Cyber Security. They want simple not complicated answers. They are anxious about complexity and the pace of change. They often want solutions that can be adopted within the constraints of their organisational and resourcing models.

"What to make of new technologies such as Blockchain? What exactly is the advantage of "Distributed General Ledger" when I compare it to what I have today? Where is my tipping point, where it is becomes obvious that I must move on?"

Add to this an industry wide paranoia about unknown unknowns. How to marry strategy and execution? How to augment some clear competence gaps in my organisation? What is noise, what is signal in the external environment?

The typical management consultancy answer to these questions is "Yes please, bring it on". The management consultants of today, and especially of 2030, must "bring it on" in a volatile, uncertain and more litigious environment and have the confidence to generate big new ideas.

14. Skills for 2030

We asked our respondents to the survey to sum up their responses.

All things considered, what change will there be in Consulting Skills needed in 2030 versus today?

Incremental — 66.2%
Radical — 31.8%
Minimal — 1.9%
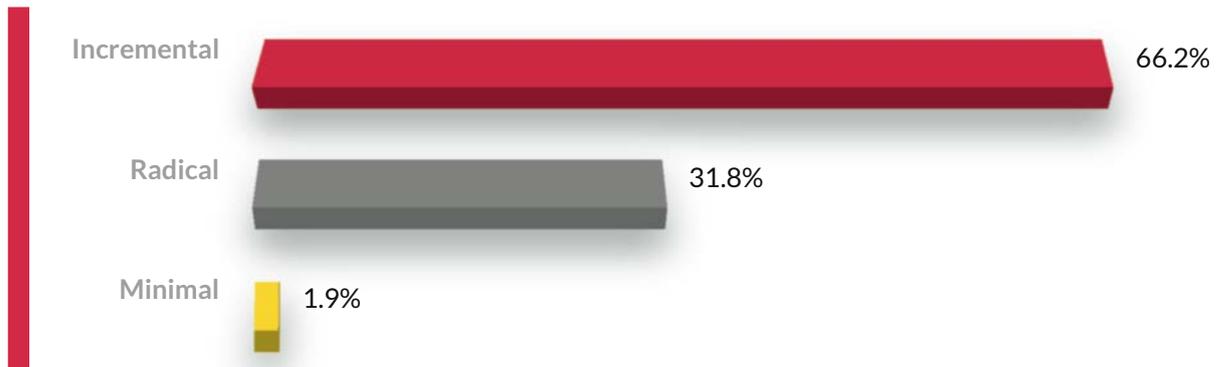
The overwhelming answer from our respondents is that the impact will be incremental, not radical. It suggests that adaptable consultants can march forward to 2030 in their stride. We challenge this assumption later, in the final section of this report.

The most frequently mentioned "new skills" that consultants will need, according to our respondents, are

New Technology | Cyber Security | Innovation | Self-promotion | Cultural adaptation | Empathy

In running this survey, we were especially concerned not so much about how the consultants aged above 40 could stay relevant in 2030, but about how the new generation of management consultants can survive and thrive.

There is an argument that suggests that many of today's junior consultancy opportunities will be replaced by AI. This argument then predicts the death of big consultancies by eliminating the possibility of succession planning.

Countering this Chris Hay, Distinguished engineer at IBM iX, sees a big demand for junior consultants to ensure that AI is effective, not only in designing and managing secure and ethical flows of big data but also by providing people on design teams who, as consumers themselves, properly understand the changing needs of consumers.

There are fewer accelerated starts from university into consultancy than existed a decade ago. Independents on the interim / consultancy borderline are aware that interim executives are not hired straight from university and need at least 10 years' experience of learning from success and failure.

The survey suggests that technology is the best entry point for younger consultants into the management consultancy profession, and that there will be a need for a greater number of data

scientists in 2030 than is typical in consultancy teams today. Such consultants will use this as an entry point to develop acumen in business process and strategy consulting.

What are the opportunities for older consultants, what is the relevance of their experience? Are they switched off or attuned to the insights of younger consultants?

The survey suggests that today's consultants need to fast forward their acquisition of knowledge about new technologies, not so much as to advise on the new technologies at a technical level but to be able to understand the technologies and to contextualise their impact in a nervous and volatile business environment. Consultants need to keep reinventing themselves to stay relevant in the market.

In summary:

- The pace of change intensifies, and results in client knowledge and skills gaps

- The more you have specialists, the more you also need soft skills

- Consultants will be in demand if they can contextualise and interpret

- Contextualising does mean that consultants will need to embrace the new technologies

- Consultancies will have more data scientists and fewer junior roles

- Those who can will have invested heavily in AI

- Significant ethical consultancy opportunities

- Demand for guidance on cyber and big data investments

- Networks of global and vertically integrated independent consultants

15. A millennial view

Just 21% of our survey respondents were under 40, and there were no significant age-related variances in the way questions were answered. We therefore held a number of discussions with people in the 20-40 age brackets after the survey closed, to understand their viewpoints in more detail. Although these viewpoints are more anecdotal than the results of the survey, they provide important context.

These people included, among others, the student teams from Coventry University in London and from Cass Business School who worked on the survey, and participants at a CMCE event hosted by a large professional services firm looking at best practice ways to develop employee engagement in the professional services workplace.

The UK HR Director of this firm sees five different populations in their employment: Traditionalists, baby boomers, millennials, generation X and their newest students. Each have their own preferences in terms of engagement and ways of working. Many of the students will leave to get roles in industry, so there is a constant refreshing of the workforce. There are the short-term associates / contractors who are often members of the delivery teams.

Clearly a large professional services organisation needs to bring these diverse populations together into a consistent client-facing delivery culture. Frequent real-time pulse surveys, at business unit level, are key to this, replacing annual surveys whose results took too long to assemble and publish. This has been one enabler in turning positive a previously negative trend in answers to the question "do I feel that my views expressed in employee surveys are listened to".

In answer to the question "Do millennials knock the rough edges off large professional service firms, or do the firms knock the rough edges off millennials" the HR Director commented that the winning firms of the future will be the ones that do allow the firm's rough edges to be knocked off, and this is starting to happen; however the tipping point has not yet been reached, and "gesture" concessions such as table tennis tables in the foyer have quietly been put in the cupboard.

Talking to younger members at the event, we got (not surprisingly) the answer that they want to develop good careers which allow them to grow their skills, experience and personal wealth in a context where they are valued for what they do. In that regard, there is not much difference from the traditionalist group. One difference they see however is that while the generations above them may have had a singular focus of working all the hours it takes to meet the demands of a single job, these younger members stated that they too do not shirk the need to work long hours when required, but they also want to ring-fence time to engage in volunteering commitments with charities and similar pro-bono organisations.

■ 16. The need to get ahead of the game

Our final analysis is on whether consultants and non-consultants answered questions differently.

The answers here are quite startling. On the questions of how radical will be the impact of AI, cybersecurity and self-employment on consulting skills required by 2030 – these being the areas which gained the highest overall ranking across all respondents – people who are not currently practicing as a consultant saw these three areas having a bigger impact than did people currently practicing as consultants.

The age of the respondents did not create a similar divergence in answers. People outside the UK saw more radical implications than people based in the UK, which could ring some alarm bells in terms of the UK's readiness to seize the opportunities that the market will present. The size of the non-UK group (37) versus the size of the UK group (120) is too small to rely too heavily on such a conclusion – but it would be wise not to ignore it altogether.

Comparing the answers of consultants and non-consultants

	Radical	Significant	Moderate	Negligible	Radical or Significant
Ai - Consultant	32%	38%	27%	3%	**70%**
Ai - Other	34%	52%	11%	2%	**86%**
Cybersecurity - Consultant	28%	43%	25%	4%	**71%**
Cybersecurity - Other	52%	34%	10%	3%	**86%**
Self Employment - Consultant	22%	44%	27%	7%	**66%**
Self Employment - Other	41%	49%	8%	2%	**90%**

The population of the non-consultant group of respondents is 61, the population of the consultant group is 96.

There are some powerful implications here, which might lead to two alternative conclusions.

Consultants see the world through a filter of "we have seen changes before, we will overcome" and are better prepared than their clients give them credit for.

Or

Consultants are under-estimating challenges that are much more evident to the clients that they seek to serve, calling in to question whether they will have the knowledge and aptitude to be of use to clients in 2030.

Both are valid hypotheses, and of course for the management consulting profession the first one comes across more comfortably than the second.

Yet it could be disastrous to ignore the second conclusion.

One respondent commented "I think there is always a question of whether clients are leading consultants or vice versa (and also whether they are aware which it is). I think we have also seen an increasing trend for the consumer population to draw ahead of the corporate world technologically speaking. Consultants have traditionally spread best practice around, but best practice is now dating very rapidly".

Consultants must direct their inquisitiveness and knowledge building to get to grips with what is happening with new technologies and demographic trends, and to understand better the implications that these will have both for their clients and also for their client's customers. These are not all things that are fully known today, but that fact cannot be an excuse for any complacency. Clients need consultants to be thinking ahead of them, not lagging behind.

Postscript - Consulting in a volatile world

In any attempt to look forward, it is important to think systemically. The priority is to look at changes in the technology in the context of what is happening to society, the economy and the environment. We are entering an age of insecurity – economic, physical and political.

We are seeing and will continue to see huge changes in the relationships

Between individuals and institutions generally (including business) and society – a crisis of trust in the system which as a whole is not felt to be working for citizens. There is now the shift from Old Power (hierarchical as symbolised in the research by phrases like 'influencing the C suite' and 'stakeholder management') to New Power (grassroots, fast emerging and unwieldy social media fuelled movements like #MeToo, 'Patients like me' and 'Gilets Jaunes'. NASA has deployed New Power to crowd source solutions.

Between companies and investment – 'shareholder value' has been corrupted by focus on short term share price movements and algorithmic trading. New models of ownership and investment are emerging from the wreckage of the old.

Between the natural environment and every other system – witness the havoc caused by the Californian fires in late 2018.

Between the state and markets – exemplified by the dysfunctionality of social care in the UK. The public sector is under-resourced and hampered by the divide between health and social care. The private sector is walking away.

Technology can only fulfil its potential if these disconnects are resolved.

A management consultant won't be useful advising people in one particular specialist area without also helping them to see their wider place in a system that may be breaking down.

Mark Goyder
Founder and Trustee, Tomorrow's Company

■ Postscript – Projecting the future

Projecting the future is always interesting, but perhaps equally fascinating - and certainly more instructive - is to look back at how we saw the future in the past.

Over the last fifty years technology has transformed virtually every aspect of our lives and brought about a business environment where continuous change is an everyday part of life. The change has been dramatic, but from a technological standpoint, remarkably predictable. The advances in processing power, storage and transmission speeds may have been stunning, but they have followed continuous, long-predicted curves. What has proved impossible to foresee is the consequence of these advances. Not only did the world's largest companies today not exist twenty five years ago, their whole business models didn't exist!

This rate of change - which shows no sign of slowing - has created a hugely expanded opportunity for management consultancy. But interestingly, the big consultancy firms that dominated the profession in the 1960s failed to recognise or to adapt to that opportunity. They failed to recognise that clients needed help in introducing change not just advice; they were too slow to recognise that 'computers' represented more than just a back-office technical issue; they thought that the idea of technology suppliers, outsourcing companies and accountants entering their field was absurd. And they paid the price; only one of those firms survives today.

The future rate of change promises to be as dramatic as ever. Coping with such change will put huge demands on organisations. The opportunity for management consultancy will be bigger than ever, but it will be a changed profession, with new skills, new ways of supporting the client and new players.

The question for today's management consultants is not whether there is a future for the profession, but whether they are going to be part of it.

Sir George Cox
Recent Pro-Chancellor, Warwick University

Appendix 1 – Respondents to the survey

The majority of respondents to the survey were consultants

Role	Percentage
Consultant	61.1%
Student	9.6%
Academic	8.3%
Exec / CXO who uses consultants	7%
Other	5.1%
Recruiter / Interim service provider	4.5%
Exec / CXO who does not use consultants	2.5%
Trainer	1.9%
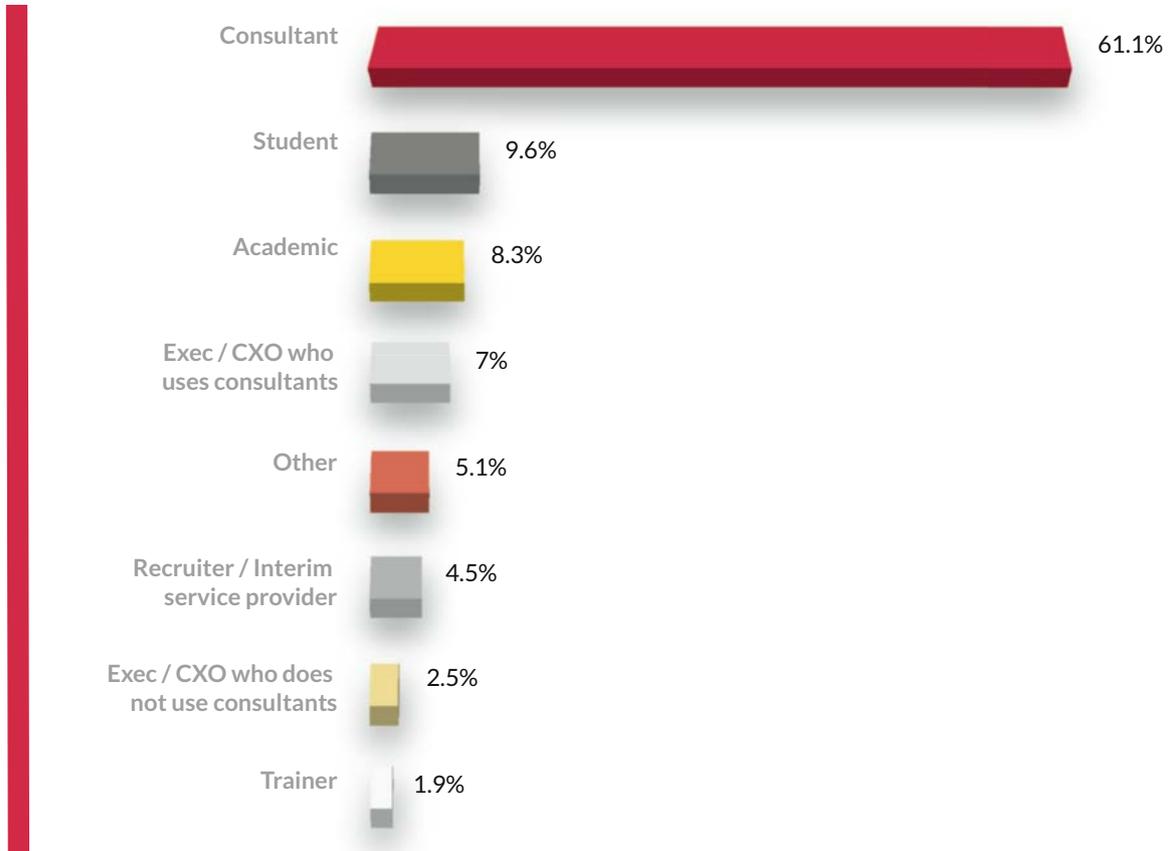
The majority of respondents were aged 40 - 65

Age	Percentage
29 or under	10.4%
30 - 39	10.4%
40 - 65	55.2%
66 and over	22.9%
Prefer not to say	1%
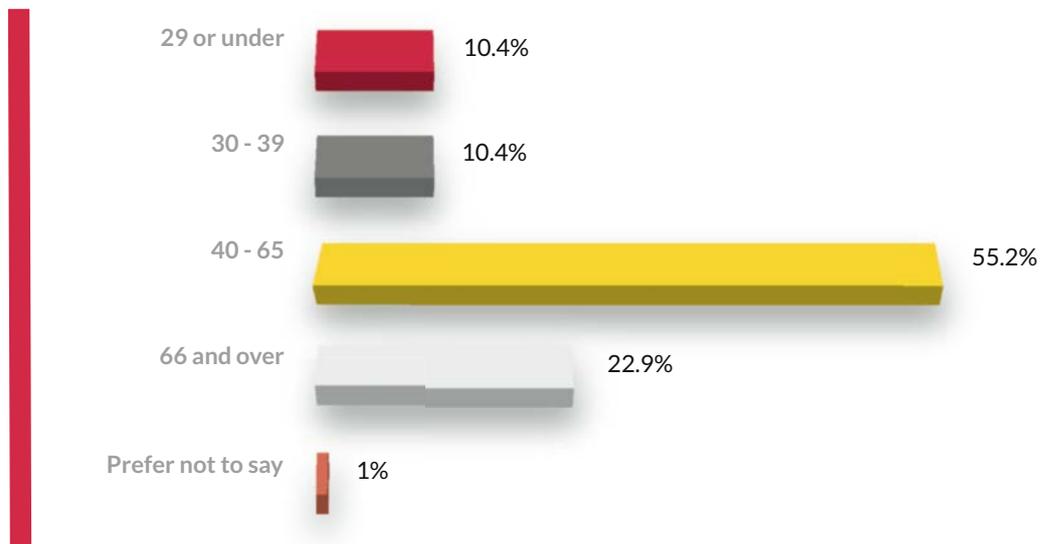
Consultant respondents work in both large and small firms
Number of consultants in your organisation:

1000+	32.3%
50+	8.3%
2+	26%
1	33.3%
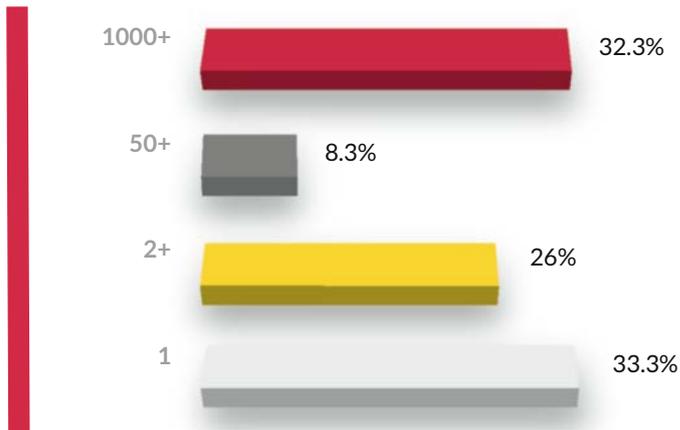
Many have spent time in large firms and / or industry
Please state whether you have experience working in any of the following:

Full time management consultant with a consultancy of over 1000 worldwide	55.3%
Full time management consultant with a consultancy of over 100 worldwide	21.9%
Full time management consultant with a consultancy of over 20 worldwide	21.9%
Full time management consultant with a consultancy of over 2 worldwide	23.7%
Full time management consultant with a consultancy of 1 staff	26.3%
Full time in a role other than consultancy	42.1%
Part time or semi-retired	23.7%
Retired	0.9%

Our consultant respondents covered the spectrum of skills

Skill	Percentage
Strategy	57.3%
Design	26%
Implementation	40.6%
Technology	29.2%
Change Management	56.3%
Business Processes	50%
Industry / Sectors	18.8%
Others	16.7%
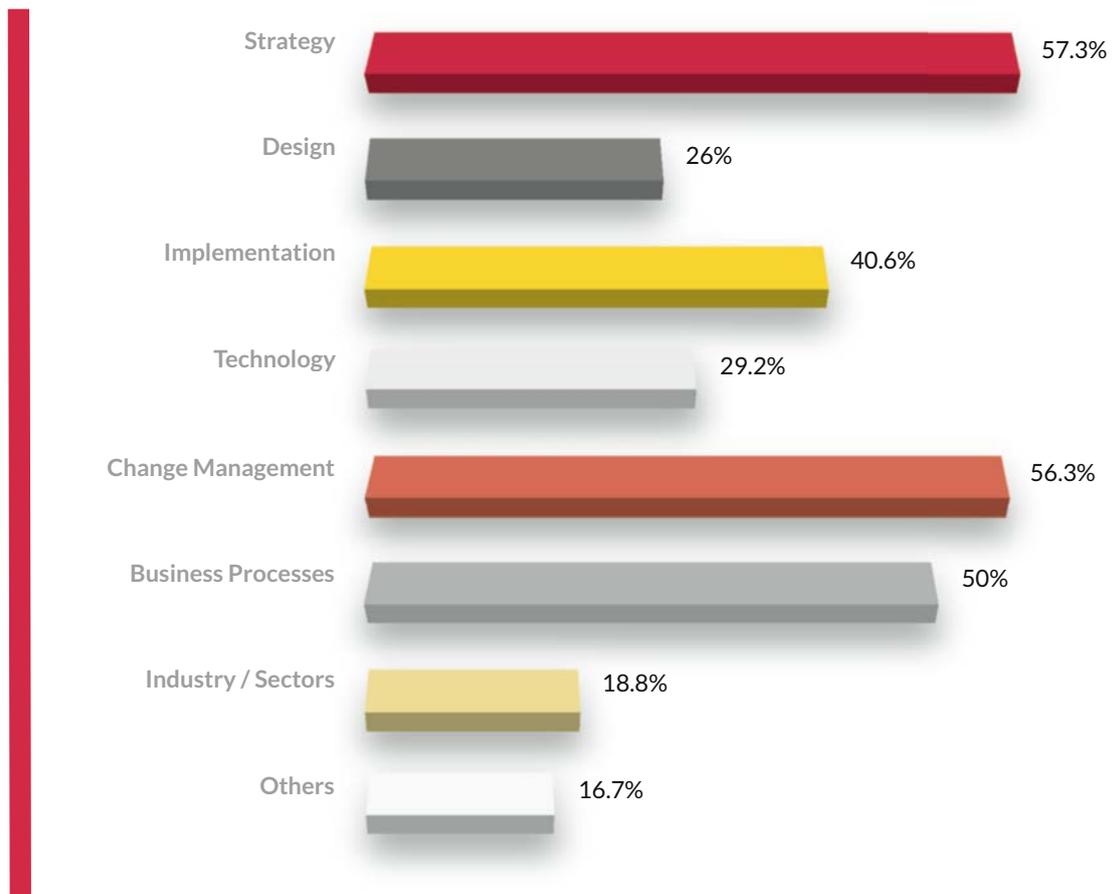
120 (76%) of our respondents are currently based in the UK, 37 (24%) outside the UK

Appendix 2 - About the editors

Chris Sutton is project director and lead editor of the Consulting Skills for 2030 survey. Chris is an independent management consultant focusing on Business Process Improvement in the UK banking sector. He is a member of the pro-bono management team of the Centre for Management Consulting Excellence and of the Worshipful Company of Management Consultants.

He has 13 years' experience as a management consultant at PwC, and 15 years' general management and business development experience with global technology companies. He is active in pro-bono consulting in the UK and in developing countries. Chris holds an MA in Literae Humaniores from the University of Oxford, is a Fellow of the Institute of Chartered Accountants and a Six Sigma black belt.

Dr Mike Fenn is a consultant and educator with a special interest in the 4th industrial revolution, digital transformation and change leadership. He is an experienced executive with a strong R&D background who has done business in over 30 countries. He has developed and led major organisational redesign programs in commercial, R&D and support functions.

Having held management positions with up to 100 reports, Mike is passionate about the people side of change and is a certified coach and mentor with over 500 hours of post qualification experience.

Appendix 3 - About the Centre for Management Consulting Excellence

Education is one of the primary objectives of Livery Companies and many have of course set up and supported their own schools. The Centre for Management Consulting Excellence has been established by the Worshipful Company of Management Consultants as its contribution to knowledge sharing and development within its own domain of interest.

Management consulting is a major business worldwide, and in the UK as elsewhere has a major impact on productivity. The Centre has been established to provide a forum for all who are interested in developing management consulting performance – not just consultants and consulting firms, but also their clients, and educational, academic and other individuals and institutions. In particular it provides a forum for the exchange of thinking between practitioners sharing the fruits of their experience and academics sharing the results of their research.

The Centre currently has the following main areas of activity:

Major events such as its annual Global and Technical Symposia, examining topics of interest relating to the context and content of consulting respectively

CMCE Showcases which are smaller scale events presenting leading edge thinking on a specific topic with the opportunity to engage with others in sharing and developing your own understanding of a relevant topic

CMCE Round Tables which are bespoke, sponsored, invitation-only seminars commissioned by organisations wanting to develop insight into an issue of interest to them

The CMCE Knowledge Bank, being a web-based source of information relevant to management consulting

Research projects, in which we investigate an area of general interest to the management consulting community, of which this report is the first example

One of our strategic aims is to build a community of those who not only are interested in but can also contribute to the development of excellence in management consulting. Do contact us if you are interested in becoming part of that community. We will put you on our mailing list for our email newsletter which will keep you abreast of our activities.

You can contact us via our website cmce.org.uk or by email to info@cmce.org.uk, or via Linkedin: www.linkedin.com/company/centre-for-management-consulting-excellence, or by post to **The Centre for Management Consulting Excellence, c/o the Clerk, WCOMC, Skinners Hall, 8 Dowgate Hill, London EC4R 2SP.**

■ Appendix 4 - About our sponsors

sheffield haworth

Sheffield Haworth is a leadership advisory firm that delivers the best talent and up-to-date industry information across the globe in the Financial Services, Business & Professional Services and Technology sectors. For over 25 years, our teams have supported clients with Executive Search, Consulting Solutions and Talent Advisory, combining a continued successful track record with an ongoing commitment to diligence, integrity and innovation. The business has 10 offices throughout the Americas, Europe, Middle East and Asia Pacific regions.

Embracing a single global team approach we can bring together much broader expertise from across the group to support clients with their most complex talent related challenges.

Business & Professional Services

The Business & Professional Services Practice at Sheffield Haworth has extensive international experience across the sector. Our clients include global brands and emerging businesses across Management Consulting, Professional Services, Digital, Technology and Business services.

The Practice works across all industry teams, competency practices and functional areas including emerging technology, data and analytics, strategy and operations, finance, human capital, risk and compliance.

Our team has a proven track record of bringing the depth of strategy, transformation, technology and change experience to corporate clients looking to strengthen capabilities or manage disruption.

Consulting Solutions

Consulting Solutions supports organisations within the Financial & Professional Services and Technology & Digital sectors that are lacking specific technical knowledge or strategic expertise, require interim executive leadership capability or are undergoing transformational change.

Our Consultants are highly skilled delivery focused industry practitioners with significant leadership and transformation experience.

Operating on a Time & Materials or Risk Reward pricing model, our flexible approach ensures the client's desired outcome is achieved in a practical and cost-effective manner.

For more information about Sheffield Haworth's Business & Professional Services and Consulting Solutions Practices please contact:

Ben Richardson, Managing Director, Global Head of B&PS
E. b.richardson@sheffieldhaworth.com
T. +44 (0) 207 213 0753
M: +44 (0) 7977 997796 / +65 9654 6363

Tom Forrest, Managing Director, Consulting Solutions
E. t.forrest@sheffieldhaworth.com
T. +44 (0) 207 213 0948
M. +44 (0) 7860 188825

To find out more about Sheffield Haworth please visit our website: www.sheffieldhaworth.com

www.cmce.org.uk

info@cmce.org.uk

centre-for-management-consulting-excellence