

An interesting question that is raised, on the impact of technology for the profession of management consultants, especially when looking 30 years into the future. With an already tangible impact in many sectors it is easier to be specific on the present and short term, leaving an educated guess about the longer term. Can we use the longer trend on technology and today's visible impact to forecast the years to come? This is also a very relevant question since our clients are already faced with the (disruptive) impact, effecting both their strategy discussions and their running portfolio of change programs.

# Impact of Technology Developments for the Profession of Management Consultant

## Consider Yourself into “the Game”

Erik Schut

Much can be read about the disruptive impact of what is often called *digitization* in many industries. In management books, in the world's leading daily newspapers and continuously on social media. Real and tangible responses using the potential of “new technologies”. Frequently positioned as the playground for innovators and start-ups and very much threatening “the establishment” in many sectors. Trends in the amount of digitization always give strong triggers to the suppliers market, including management consultants. Along with creating buzz and repositioning themselves, they above all understand the need to focus on their relevance in guiding clients and providing practical support. Who is who in responding and acting in this trend and what is the expected longer term impact on consulting?

### What Is the Current Situation?

Let's take the recently published 20<sup>th</sup> anniversary edition of *The Digital Economy* by Don Tapscott as a landmark. Twenty years after the release of the first edition (1994) this book informs us about updated views on the impact of disruptive technologies and brings “proof” to the belief of a longer trend in technology. The values of companies will be tested even more in the years to come on elements such as: brand value, customer loyalty, agility to change, speed of (fundamental) change, innovation (add new, change current and the courage to let go) and last but not least leadership. Consulting firms must and will be part of this, in their core role to clients and by adapting themselves to these disruptive developments.

### Who Are the Players?

This play has two lead roles, the innovators releasing new technology based solutions and the customers (us all). The two of them and their intense interactions create the speed and the urge for

business to act. Without this we would still be writing articles on impact, but they would be more classic, focusing on optimizing current models and procedures and on cost reduction. So a lot of energy and need for speed is created.

The market of the suppliers to business, both on technology and consulting, is part of this swift change. Reconsidering their added value and delivery models in this impactful market challenge. While the technology firms seem to have a natural first play here, consultants have to secure theirs through new capabilities and new models that bring them into the game. Clearly this development is on much more than technology. It is very much on human behavior, leadership challenges and smart competitive responses in many sectors.

### What Defines a Consultant's “Relevance” in This Field?

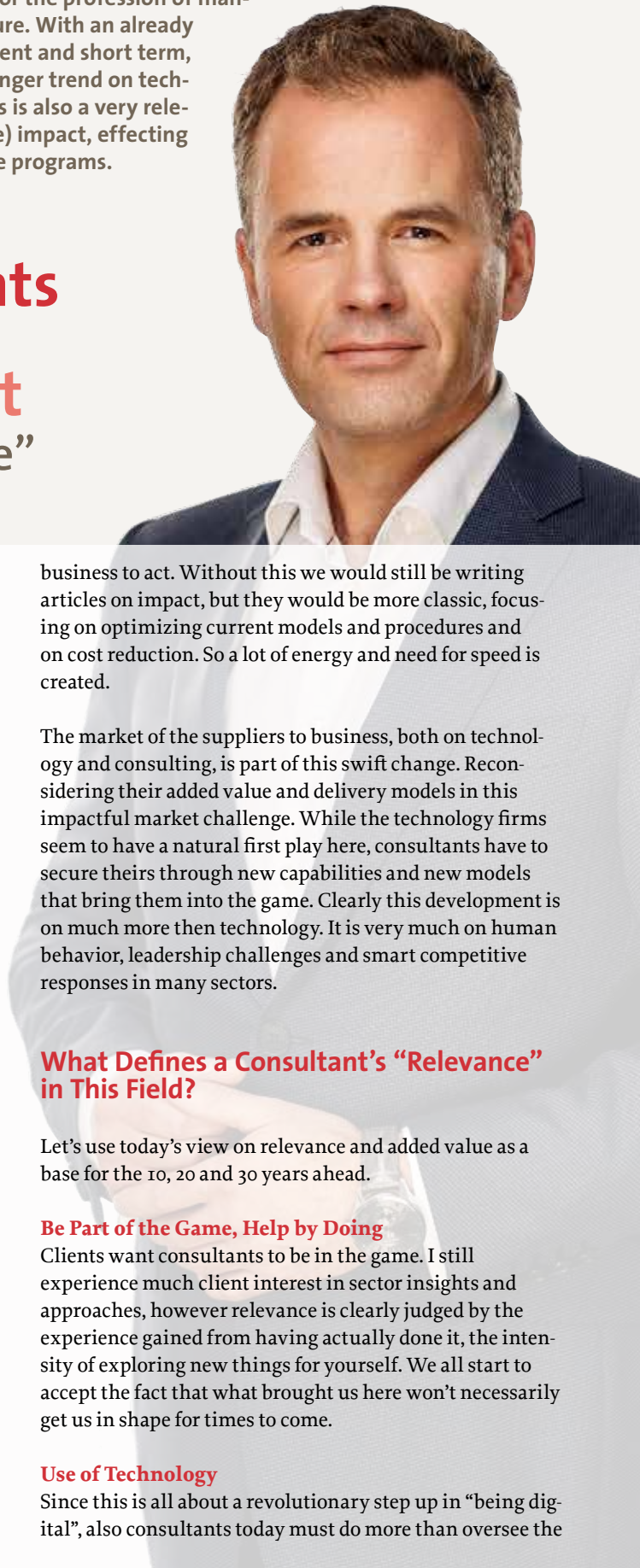
Let's use today's view on relevance and added value as a base for the 10, 20 and 30 years ahead.

#### Be Part of the Game, Help by Doing

Clients want consultants to be in the game. I still experience much client interest in sector insights and approaches, however relevance is clearly judged by the experience gained from having actually done it, the intensity of exploring new things for yourself. We all start to accept the fact that what brought us here won't necessarily get us in shape for times to come.

#### Use of Technology

Since this is all about a revolutionary step up in “being digital”, also consultants today must do more than oversee the



trends, we have to “package” client value through technology solutions. Already there are many examples of tools that help clients make use of the knowledge of consultants and support (joint) project teams in the skill set needed to deliver the change. I expect a massive shift to a much more blended delivery of consulting value.

### Define an Effective Way to Change

Grasping the potential of *digitization* is obviously something that has to happen, while already being heavily occupied with many other serious agendas. Not many of our clients define projects that purely focus on: “let’s get digital”. Consultants are being challenged to help clients organize in a way that makes them successful in reconciling the objectives of today’s strategic projects and with tangible steps in their digital agenda.

Agile techniques, work via sprints, building the change through sizeable steps will most probably do the job.

And have technology solutions contributing to these change steps. I don’t see large scale, high investment and high risk projects being of much help here.

### Integrated Approach

Digitization, disruptions, innovation; this might all end up being considered as all very new and (maybe) not get connected to the existing business. All of this will only become business-relevant when successfully transferred into a new integrated and above all operational business model, delivering the client value through digitized processes on a daily basis. Consultants should bring this integrated thinking and approach.

### Vision

Being in the game, having experienced the impact and potential in your own business, working alongside many clients in many sectors, will at some point make you relevant to listen to for providing some vision.

### What Could the Developments Lead to in 30 Years’ Time?

My first reference to a period of 30 years covers the whole of my professional life and added to that the years at university. I did leave university with the “warning” that information technology would quickly change industries and that all new educated business management is expected to lead this change.

There has been a huge impact during these many years, although the speed of change (especially in integrating business and IT) was much slower than expected back at university. The market for IT supply grew substantially, many brand new companies have been started and reached a global dominant status in their field in only a

few years and the relevance of IT is clearly huge. Being amongst the leaders in many sectors today is often strongly related to a company’s ability to grasp the potential of technology, preferably both in providing client value as well as in efficient delivery. So what about 10, 20 or even 30 years from now?

The shift that has been made from technology focusing on processes, toward technology focusing on human behavior and “things” will trigger impactful change in almost all sectors. In the coming **10 years** most sectors will adapt to the potential and work on smart competitive responses. Consulting will be about guiding clients through transformations that embrace the new and release many of today’s legacy. Along with the large organizations many small players will become more and more relevant.

The new kind of technology (offerings) will above all remove a lot of distractions in how we work towards goals. Technology can be worked with as an enabler and much less as an object we have to get right first. Getting a lot of distraction out of the way, and an effective enabler (technology) on our side will give a strong stimulus to focus on more fundamental goals in (business) life, and the ability to reach them quicker and with much less investment. So in **20 years** from now consultants will be supporting their clients on core business challenges, new ways of working as part of an agile network and most probably all new models for human resourcing.

Although there will always be a need for independent expert advice I believe the value delivery by management consultants will fundamentally change. In **30 years** from now the whole business world will have learned to be agile by nature, change will not be the challenge anymore. Learning from others, working with data available to all, will quickly disrupt inefficient models for markets insights and client behavior. Consulting firms will transform themselves into new formats and new positioning to deliver their “insight” and “transformation” value, mostly via technology solutions. Still finding strongholds in the fundamentals of good business performance, but in all new concepts.

And, as also firmly stated by Don Tapscott, the coming 30 years will not only bring the *Promise*, it will also give room for the *Peril* of what he calls the Digital Economy. An important domain for consulting services next to the value creation will be the preservation of value. Ensuring the required levels of reliability, security and continuity of business services and data requires at least the same integrated approach and speed of adaptation.

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