

Winnaar studentencompetitie

Jaarlijks organiseert M&C samen met de Vrije Universiteit Amsterdam een publicatiewedstrijd onder de masterstudenten van de opleiding Management Consulting. Doel van het eerste vak van de specialisatie is de schrijfvaardigheid van aankomende consultants te verbeteren. Docent Marlieke van Grinsven maakte een voorselectie. Leonard Millenaar, hoofdredacteur van M&C, had moeite met kiezen en riep twee auteurs uit tot winnaar: Carly van Bussel en Daniel Benkhoff. Hun artikelen zijn in deze M&C Quarterly te lezen. Het derde artikel dat het podium haalde is te vinden via www.managementenconsulting.nl.



A crisis needs consultants

The impact of the Covid-19 Crisis on Consulting Practice

by Daniel Benkhoff

The coronavirus has shown us just how uncertain the future can be. While we have witnessed global pandemics in the past, we were not prepared for the implications of this crisis. Suddenly everything changes in an impressive pace. For many it is hard to believe that it is already October. But this virus has been around for almost 10 months now and social distancing has become the new norm.

Covid – measures have forced most companies to rethink and restructure their business as no one had expected that the need for a digital work environment was so imminent. But now, the only intelligent move is to find a response and maybe more than that, to look for opportunities. While consultants face the same global pandemic as anyone else, they can have a severe impact on the further development of a broad array of companies or governmental entities. Their advice could be vital which puts them in an important role in handling this crisis. To further invest how the practice of consulting is impacted by Covid-19, and if there are ways to turn this crisis into an opportunity, I interviewed Michael Bratton, a consultant working for a large consultancy in the UK.

Beeld: Smit

“When written in Chinese, the word ‘crisis’ is composed of two characters. One represents danger and the other represents opportunity.”

— *John F. Kennedy*

Better prepared for the extreme

When I ask him if he misses going to the office regularly, he laughs. He explains that he hasn’t been ‘regularly’ to the office in quite some time, also before Covid-19 had made home office the norm. Working remotely has always been an option and depending on size and intensity of the cases, often a necessity. The consulting practice always demanded a certain flexibility. Consultants are used to Zoom and screensharing and

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the technicalities are a given. Having your own work laptop that can be used anywhere is, unlike in other sectors, the standard. That is a clear advantage of consulting compared to other practices, they had these flexibilities already before the crisis and were therefore in a way “better prepared”.

‘No more glamour consulting’
– Michael Bratton

But obviously this has also meant big changes as the main means of contact with clients is suddenly also digital. We talk about what has changed for him and the sudden missing personal interaction with clients and colleagues. As in any job it's different if you miss a certain social aspect. It is less enjoyable if you don't see your coworkers and especially for the newer team members there are downsides as it is harder to get to know people. They get less appreciation and have a harder time establishing themselves as valued members. Furthermore, the glamour factor is missing. If that is your driver of being a consultant, the flights to the clients, the expenses, the classical Hollywood consultant, then this year has been tough on you. For him however, it has also advantages. “What I honestly don't miss”, he tells me, “is getting up at 6am on a Monday to get to the airport and fly somewhere.” Also not waking up at a Hotel on five out of seven nights a week is apparently something he is enjoying at the moment.

‘It got more goal orientated and less personal.’
– Michael Bratton

But still, adapting to the restrictions and increasing digital contact has changed communication a lot. And communication is key in consulting. The new forms of contact have proven more effective in some respects. Less contact in person means also less contact on a personal level and more time working on a professio-

nal level. Zoom is less client entertainment and more goal orientated.

A lot of the social components out of the pre-Covid days are missing. This is complicating a lot of things. The clients need to be engaged more and the business character of the relationship is more in the focus, which makes some tasks more difficult. Often, a more personal relationship can be far more informative regarding company culture or in pinpointing the real problems. Now this requires time intensive meetings that would be unnecessary in a more friendly, more honest relationship. As said before communication is key in consulting and good contact to the client increases the success of projects almost always. Time will tell how much this influences the outcome of cases.

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But so far Michael doesn't seem to be too worried. When I ask him if Corona has affected the number of clients or the overall revenue, he underlines again that the crisis hasn't been as hard on consultants as on other branches. It is an average year for us, Michael says. To me that sounds very strange; 2020 is supposed to be an average year for consultants?

The answer is simple according to him. A Crisis creates the needs for consulting. When things are going downhill, whenever there is a big change, the demand for advice and external assistance is as high as ever.

‘Governments don't have the capabilities to handle such a crisis alone - there is no pandemic outbreak team.’
– Michael Bratton

However, what can be seen he tells me, is a changing customer base. Long-term projects, related to for example Brexit, that have been running for years have not been stopped. Besides that, there has been a decrease in Implementations or for example Merger and Acquisitions projects which are usually a big driver of



change and therefore require consultants. Still, this decrease can be compensated by an increase in corona related cases. Especially the number and extent of projects in the public sector has increased. Here, the biggest client at the moment by far, is the National Health Service (NHS). They were not prepared for the extent of this pandemic, so they require external help with the operational implication of testing. Michael tells me how they have operated testing facilities and created a distribution system from the actual corona test to the result reaching you on your phone.

This whole project is done externally and sees around 20 companies cooperating, creating a project the size of the BBC (In size comparable to Randstad Holding). This was all build over the span of a couple of weeks

showing the crisis related expectations the world has in consulting. Governments don't have the capability to handle a crisis like this alone. There is no Marvellesque "Pandemic Outbreak team" so external advisors are consulted.

'Corona made such a big impact that firms allow themselves to revisit their operating model and reimagine themselves.'

– Michael Bratton

Besides the public sector the customer base is still getting broader. Companies from any sector have similar problems. The focus is on establishing digital contact to the customer, understanding the supply chain of digital products, involving data and analytics, overall

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cost reduction and general adaptations for the future. A global health crisis is a good starting point for companies to realize that they need expert help. The fundamental changes Covid has caused allowed them to revisit their operating model, rethink the allocation of employees, implement infrastructures for new technologies, and conceptualize a future proof work concept. When faced with challenges like these, consultants come into the conversation.

Opportunity in crisis

Corona has forced companies and employees to change and adapt. But that's just one way to look at it. Throughout my whole conversation with Michael it becomes clear that he views it differently. This pandemic was forced on us, yes, but it also gives us the opportunity to reflect on our values, learn from the situation and adapt for the long-term changes. I learned that in this situation, consultants can find opportunities by broadening their customer base and advising in the fight against the crisis, or by supporting firms that use this impulse to reflect and reimagine themselves. In these truly unusual times people are needed that are resourceful, engaging and progressive, to foster positive long-term changes. Consultants are in a position where they need to focus on the big picture while facing unknown challenges. This also includes awareness over other pressing concerns like the climate change. While it is important to help companies establish their financial security, this is also an opportunity to steer towards a more sustainable future. Yoshino et al (2020) connect the Covid-19 pandemic to the 2030 Agenda for the sustainable development goals. Consulting firms could stimulate the low investments in the SDGs by agreeing on global standardized criteria for measurement. Separate criteria are distorting the portfolios of Institutional investors that rely on consultancy firms for guidance. Who better to seek opportunity out of crisis, then the external advisors of the world? Consultants could prove vital,

not only in handling this crisis, but also in realizing the opportunities held within.

References:

Yoshino, N., Taghizadeh-Hesary, F., & Otsuka, M. (2020). Covid-19 and optimal portfolio selection for investment in sustainable development goals. *Finance Research Letters*, 10169

After finishing the BSc in Business Engineering at the TU Berlin, Daniel Benkhoff hopes to conclude his MSc in Science Business and Innovation, with the specialization of Energy and Sustainability, at the VU next summer.

