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The end of billable hours: how AI is forcing consulting to reinvent itself

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Enrique Dans

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A Reuters article, “[AI sets up Kodak moment for global consultants](#)”, has sparked debate among the profession. The article explains how consulting is experiencing rapid and structural disruption that threatens to destroy the business model that has sustained it for decades.

AI is eroding the differential value of the major consulting firms: Accenture, Deloitte, PwC, KPMG or McKinsey, which for decades have sold packaged knowledge, intensive analysis and deployed armies of young analysts.

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A few months ago, I wrote about the same topic in “[AI and consulting: enjoy the ride while it lasts](#)”, pointing out that the real transformation, that of business models, is only just beginning, and that when artificial intelligence is normalized the added value that consulting firms thought they offered could disappear.

That prediction is already taking place: large clients are beginning to realize that a large part of consulting projects are now automatable. A commission that once cost a million dollars can now be solved with relatively simple machine learning and prompt engineering tools for just a fraction of that price. What used to be justified by the time invested by humans and their analytical capacity, today is solved with algorithms that do not sleep or charge overtime.

[In a viral debate on X](#), dozens of consultants acknowledged that their work is becoming a translation process: interpreting and making up results produced by AI. The industry's historical margins are disappearing as companies learn to directly integrate tools like ChatGPT Enterprise or Claude Team. AI is the new invisible partner, cheaper and, in many cases, more accurate than human consultants.

AI is forcing professional services firms to redefine their value proposition: it is no longer enough to offer analytics, instead they have to build systems capable of learning together with the customer. All indications are that the future of consulting will be hybrid: a combination of human strategic vision, technological infrastructure and credibility based on measurable results, not fancy slides.

Disruption is no metaphor: Accenture is cutting staff and [sacking anybody who cannot embrace AI](#) within its global restructuring, while accelerating internal automation projects, a clear sign of change in the knowledge economy. BCG, for its part, expects 20% of this year's revenue to come from AI-related consulting, and [foresees reaching 40% by 2026](#), reflecting that value shifts from slideware to solutions leveraged on models and data. Even [McKinsey has reduced its workforce by more than 10% in 18 months](#), after years of expansion, and is reorienting capabilities towards AI and software, another indicator that the traditional model of billable hours is no longer viable.

In many ways, this disruption is not just technological, but existential. Consulting firms are not losing tools, they are losing their monopoly on knowledge. AI has

democratized access to information, models, and methodologies that previously justified hiring an external firm. AI turns knowledge into a commodity, and consulting thrived precisely because it wasn't.

Accenture, PwC, EY and McKinsey are not ignorant of this reality: they are desperately investing billions in AI, developing internal automation divisions and introducing new predictive analytics platforms such as [Accenture's AI Navigator](#). But the question is not whether they embrace technology, but whether they are capable of redefining their role: traditional consulting was conceived to absorb knowledge and resell it. AI, on the other hand, distributes and democratizes it.

The result is that companies that previously needed to pay for reports and presentations can now generate scenarios and strategies in real-time. The client, for the first time, can have a model that "thinks with them", not that gives them conclusions on a deferred basis. It's the automation of applied thinking, and it directly touches the heart of the industry: its billable hours model.

The disruption, therefore, is not only that AI does the work faster or cheaper, but that it makes intermediation irrelevant. Like all transformative technology, it does not destroy by accident, but by coherence. Consulting firms were designed for a world where knowledge was scarce and slow. AI inhabits a world where knowledge is abundant and immediate.

The only viable way out is reinvention: to go from being providers of knowledge to being architects of transformation. Those who understand this, those who manage to accompany customers not only with data, but with vision, ethics and purpose, will survive. The others will become a secondary function: algorithm auditors, compliance guardians or outsourcers of the past.

The disruption in the consulting sector is no temporary crisis: it is a reconfiguration of power. Like other industries before it, it must decide whether to take charge of its change or a witness to its own demise. In a world where knowledge is no longer bought but generated, true consulting will be the one that helps you think, not the one that charges you for doing so.

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(En español, [aquí](#))

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Ismayil Khayredinov

3 days ago

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20% of this year's revenue to come from AI-related consulting, and foresees reaching 20% by 2026,

This sentence makes no sense



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2 replies

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mohamad shahkhajeh

3 days ago

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It would be useful to understand how they're measuring the 20% AI-related revenue projection for accuracy and consistency.



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