Restoring Trust in the Consulting Industry

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Executive Summary

The person interviewed was Ken Howard, President of the Improving Enterprises Houston office. Improving is mainly a consulting firm, although Improving has offices that specialize in technical training and recruiting. Improving has a single office in Calgary, Canada and several offices in the U.S. including three in Texas: Dallas, Houston, and College Station. Howard was not the proposed choice for this interview, but ultimately covered topics that would have supported the originally proposed theme.

Originally, the person to be interviewed was Curtis Hite who is CEO of Improving Enterprises. A response from him was not received. In order to keep the proposed topic of this critical reflection the same, several executives of Improving Enterprises from the Dallas and Houston offices, Ken Howard being among them, were contacted. The reason for excluding the College Station office was that everyone in that office is a personal acquaintance.

Besides being the President of the Improving Houston office, Howard is also a computer science professor at Southern Methodist University (SMU). Due to his busy schedule being tough to work around, a pure audio recording facilitated by Free Conference Call which is a technology familiar to most Improvers was the chosen medium for conducting the interview.

Various topics were covered including Howard's business and psychology education, his career in teaching Computer Science, his experience at Valtech which tested his ethical principles, and the importance of riding the bleeding edge of technology. Howard pursued a degree in business as used to be required by businesses for software development roles. Through networking, he picked up a job at SMU as a Computer Science professor. While working at a previous consulting company Valtech he competed with companies which bribed prospective clients for engagements.

After Valtech, Howard and Curtis left to found Improving Enterprises. Improving aims to uphold a high standard of ethical values, avoiding bribery while still remaining highly competitive. In order to do this Improving encourages knowledge sharing within the company, building the company's domain knowledge, and utilizing rural-sourcing to lowball potential engagements. These things together create a recipe for restoring trust in the consulting industry.

Critical Reflection

It is important to remain current and competitive in the consulting industry without restoring to bribery. It used to be that all you needed to get hired as a software developer was a business degree. Now you need a computer science degree and good engineering skills. Especially in the consulting industry, it is imperative to commit to life-long learning. Permanently sticking to one technology stack is a sure way to become obsolete. Always learn new in-demand technologies in order to stay competitive. Finding other ways to stay competitive is also necessary when your competitors are bribing executives of your potential clients to hire them instead.

The consulting industry has certainly evolved over the years, from requiring specific domain knowledge in addition to technical expertise to instead requiring good engineering skills and utilizing the client's onboarding process to become familiar with the specifics of their domain. In Mr. Howard's case, who wished to go into the business field as a software developer, he needed a business degree, because businesses only hired software developers from business schools. The idea was that if you wanted to build business software applications, you had to have a business degree. Business software was also simpler back then. In many cases, all they did was read and display information from a database and generate reports. Today, as far as domain knowledge goes, as long as there is someone who can explain the business rules, prior domain knowledge has become much less of a necessity. Mr. Howard's theory is that software has gotten more complicated. So much so that a computer science degree and a good grasp on engineering practices are now required when applying for many software development positions.

This means a background in ethical problem solving is necessary in the consulting industry. Any engineering position, even if not public facing, would still carry with it consequences that would affect the general public. For example, an engineer who designed the latest rocketship for SpaceX greatly affects the public when he decides not to pay as much attention as he should to the pollution

that the ship causes at launch even though the rocketship was designed for use by a private company. Therefore, as the consulting industry has shifted from a business discipline towards an engineering one, then regardless of whether the client is public facing or not, it is important for consultants in the field to have a background in ethical problem solving.

As an employee of Improving Enterprises I can confirm that my role is definitely one of engineering; furthermore, finding a project did not require prior domain knowledge. The client I work for is in the business of providing risk management solutions to agribusiness. I knew nothing about the business before joining the project, but I learn something new about their business with every meeting. Communicating with the client on a frequent basis and gathering requirements from them is a huge part of the job. The communication skills of an engineer are highly valued as getting the client to voice their requirements is one thing, but translating them properly is another.

Staying on top of technology and best practices in an industry where technology rapidly becomes obselete is another challenge. Mr. Howard emphasized adopting an attitude of life-long learning as a necessity for anyone in the consulting industry. In the spirit of comitting to life-long learning Howard has always been an early adopter of technologies and software development best practices. He was, for example, an early adopter of the Agile approach to software development. A decade ago, it was common for businesses to employ the Waterfall method when designing and developing software, one that would ultimately result in wasted time and headaches due to the stakeholders not playing an active role in the development phase. Today much of the industry has shifted to a more Agile approach to software development, one in which stakeholders play a very active role in the development phase and provide a constant feedback loop for the developers.

Staying on top of technology and best practices does not have to be something only engineers in the consulting industry do. Other fields obviously experience change in technology as well. An engineer can be thought of as a mechanic who solves problem using the tools in his toolbox. Every

couple of years new and better tools will become available, and the engineers who adopt them will be more effective than those who do not.

The consulting industry is a very competitive field, and keeping up to date with best-practices and rapidly changing technology is just one way to make sure you stay competitive. Programming languages and methodologies are always changing. Languages are constantly being extended with new features that accelerate development, and new methodologies that cope with the problems of those that came before them occasionally emerge. Not staying up to date means that you will not be as efficient as the rest of the field and you will constantly be outbid by a consultant who can do it more efficiently and therefore more cheaply.

Perhaps one of the more shocking challenges Howard mentioned with regards to the competitive nature of the consulting industry was dealing with competitors who engaged in the practice of buying engagements. That is, the competitors would bribe potential clients to do business with them. Howard worked for a consulting company called Valtech along with Curtis Hite. Howard described an industry in which paying money under the table to an executive at the client was commonplace. While working at Valtech Howard lost at least one deal to a competing offshore company which had paid the client off. This obviously resulted in lost business because Howard and his colleagues, Hite being among them, always opted for the ethical path. Hite went on to found Improving attracting those from Valtech who appreciated the ethical values upon which Improving was founded.

Bribery is not only illegal but it also puts other companies more deserving of the bid at a disadvantage. Bribery is a huge problem, and although anti-corruption legislation has matured, it is difficult to change the way bribery is viewed by those who see it as a necessary evil. If a company needs to bribe a potential client to win an engagement, it implies that the company is not competent compared to other companies in the bid. For that company to win the engagement is unfair to the

other companies who by their merit actually have a greater right to win the bid.

Improving aims to restore trust in an otherwise corrupt industry by encouraging knowledge sharing within the company, building the company's domain knowledge, and utilizing rural-sourcing to lowball potential engagements. Everyone that comes to work for Improving has a diverse background which contributes to the diversity of knowledge within the company. By encouraging knowledge sharing through courses taught internally, Improvers get a chance to learn what others know. Improving seeks out engagements from various sectors such as financial services, transportation and leisure, and energy, to develop a vast pool of domain knowledge. Improving's strategy for winning engagements that would otherwise lose out to corrupt, under-the-table bribery, is to utilize its offices near college towns which employ college graduates and interns who are willing to work for less money allowing Improving to give lower estimates for potential engagements.

There are clearly ways to remain competitive in the consulting industry without participating in bribery. Finding clever ways to cut internal training costs and drive down engagement estimates is how Improving wins engagements. Winning engagements expands the company knowledge base. That knowledge base is a selling point for future engagements. An engineer with the domain knowledge is by no means necessary, but is always a plus for a client who can save money by allowing them to have a shorter onboarding process. All employees of an organization can benefit from the experience gained from a won engagement through knowledge sharing. All these things together create a recipe for restoring trust in the consulting industry.