Assignment 2024/25

Analysis of challenges consultants encounter and the essential skills they need

Consulting: Context, Concepts And Practice

Contents

I. Introduction

Management consultancy has become central to navigating complexity in today's business landscape. Consultants offer strategic clarity, objective insight, and implementation support during times of uncertainty. Their services are especially in demand when organizations face unfamiliar challenges such as technological disruption, geopolitical shifts, or operational crises. While consultancy has existed for decades, its importance has increased greatly in recent years.

Why? Because of the rising demand from clients. According to McKinsey (2023) clients now require faster, more adaptive, and more collaborative consulting partnerships than ever before. These requirements include both the consultants' knowledge and the way they use that knowledge. As Sturdy et al. (2010) noted, consultancy effectiveness is often centred less around the content of advice than on its delivery and reception in complex relational environments. So the challenges and skills discussed in the essay will touch the delivery and reception more rather than the pure consulting knowledge. To back up these discussions, insights are drawn from both academic sources and real-world consultancy practices.

Literature review

As part of our analysis, we reviewed key academic frameworks relevant to our task. They are particularly useful for explaining why certain challenges emerge, and what skills are needed to address them effectively.

A seminal foundational text, Sturdy et al. (2010) explores consultancy through the lens of knowledge boundaries and relational complexity. Their concept of consultants as "boundary workers" is needed for understanding why technical advice is often rejected or reinterpreted by clients. This work directly informs our discussion of knowledge transfer, identity tensions, and the need for cultural sensitivity and reflexivity. The idea that knowledge must be negotiated explains many of the relational or political challenges consultants encounter.

Another core source is Sturdy (2003), who frames consultancy as an emotionally and politically unsafe profession. This work introduces the idea that consultants must actively "perform expertise" to maintain credibility in often sceptical or ambiguous client environments. It speaks directly to the emotional demands of consultancy and explains why skills such as emotional intelligence, self-confidence, and impression management are not optional but fundamental to survival in the field.

A further critical perspective comes from O'Mahoney, Sturdy & Galazka (2021), who examine how national culture shapes consultant–client dynamics. Their analysis reveals that deeply embedded cultural norms influence the reception of external advice and determine the boundaries of acceptable challenge. This insight is relevant to our discussion of knowledge transfer, resistance to change, and the demand for cultural awareness and communication adaptability in cross-cultural consultancy.

Collectively, these sources help frame consultancy not as a purely technical or neutral activity, but as a context-sensitive, relational, and strategic practice. They allow us to analyse challenges more effectively and to identify not just what skills are needed, but why they matter in specific consultancy contexts.

As we found out from academic literature, there is a serious gap between theoretical works on management consulting and the real world. To bridge theory with practice, McKinsey & Company's work on organizational transformation highlights the role of AI (McKinsey & Company, 2023), and post-pandemic consulting. These sources collectively frame the challenges and skills discussed in the following sections.

II. Challenges

1. The disruptive impact of AI

Artificial intelligence (AI) is quickly transforming the consulting profession. While the narrative often focuses on its potential to boost productivity, the integration of AI often challenges to management consulting.

As McKinsey & Company (2023) observed, one key challenge is the displacement of routine tasks traditionally assigned to junior consultants. Research, synthesis, summarisation, and first-

draft generation, once essential for skill development, are now increasingly automated. This creates a developmental gap: consultants may progress upward without adopting the critical thinking these tasks once developed.

Secondly, the use of AI in client-facing work might introduce ethical and reputational risks. Inconsistent disclosure about AI-generated content can undermine trust both within consulting teams and with clients. Miasin (2024) notes that some consultants actively hide the use of AI tools in their job, which blurs ownership, accountability, and transparency.

Thirdly, AI's perceived objectivity may be misleading. AI tools draw from vast but often biased data, raising concerns about content accuracy, cultural appropriateness, and embedded prejudice. Overreliance on AI for text generation or analysis could result in homogeneous, uncritical solutions, undermining the consultant's role as a creative and context-sensitive problem solver.

Finally, there is the challenge of uneven AI adoption across firms and projects. Larger consulting firms like McKinsey and BCG are investing heavily in proprietary tools and training. In contrast, smaller firms often lack these resources, leading to inconsistent AI usage, data privacy concerns, and productivity gaps within teams.

These challenges are not purely technological, since they are organisational, ethical, and developmental. They stand at the core of consultancy's value proposition: trust, expertise, and human judgment. The profession's ability to navigate these challenges will shape not only the future of work, but the credibility of consultants themselves.

Skill advised: development of digital fluency and AI judgment. We dive into this further in the skills section of the essay.

2. Resistance is common and inevitable

Resistance to organizational change is a well-documented phenomenon that can delay the success of consultancy initiatives. According to a study published in Frontiers in Psychology (Rehman et al., 2021), resistance arises from perceived threats to job security, disruption of routines, and lack of trust in leadership. The study emphasizes that understanding the psychological underpinnings of resistance is important for effectively managing change initiatives.

An example illustrating the negative impact of resistance to change is the failed SAP implementation at Revlon (Thibodeau, 2019). The project faced large pushback from employees who were unprepared for the new system, leading to operational disruptions and financial losses. The lack of adequate change management strategies to address employee concerns and resistance contributed to the project's failure.

Skill advised: Persuasion, active listening and conflict resolution.

3. Difficult task to manage dual roles and balance

Management of dual roles between the consultant's firm and the client organisation is complex and often politically sensitive. This tension becomes particularly visible in multinational consulting firms. Consultants operate as outsiders with insider influence, and must constantly

navigate expectations from both their employer and the client. Global consultancies like TCS or Deloitte must act both as centralised knowledge hubs and as locally adaptable partners. Consultants on the ground must represent the firm's frameworks and capabilities while also tailoring solutions to local needs and culture (Christensen et al., 2013).

Clients may welcome advice but resent external critique. Sturdy et al. (2010) describe how consultants must manage their visibility and voice carefully: being too assertive risks rejection, while being too passive diminishes their value.

Skill advised: Reflexivity and boundary management.

4. Knowledge doesn't transfer to clients smoothly

Consultants are expected to bring in external insights and best practices. However, transferring knowledge across organizational and cultural boundaries is a big challenge. Sturdy et al. (2010) explain that knowledge is rarely adopted without adaptation; it is filtered through existing power dynamics, norms, and belief systems. Power dynamics refer to who holds influence in the organisation. A proposal may be ignored if it threatens someone's authority or control, even if it makes strategic sense. Consultants must be aware of who needs to be convinced and who can block change. Norms are the unwritten rules about how things are done. They shape how decisions are made, how fast change can happen, and what behaviour is considered acceptable. If a consultant pushes too hard against these norms, they may face silent resistance. Belief systems are the values and assumptions that guide how people think about work and purpose. If advice appears to conflict with these shared beliefs, it may be seen as out of place, regardless of its technical merit. Together, these factors mean that consultants must adapt not just what they say, but how and when they say it, just like we mentioned in the introduction. Understanding this context is key to making knowledge transfer effective.

Skill advised: Cultural awareness and interpersonal sensitivity. Consultants must read the room and strike a balance between respect and challenge, knowing when to be flexible and when to hold firm.

5. Consultants are often insecure too

Sturdy (2003) writes that consultancy is built on insecurity masked as expertise. Consultants are judged on performance but lack full control over results. This creates a paradox: consultants are expected to project confidence and certainty while operating in unpredictable and ambiguous environments. The pressure to "perform" expertise, particularly in front of senior clients, can lead to psychological strain and self-doubt.

This is especially true for junior consultants, who navigate steep learning curves and volatile client expectations. Emotional strains like burnout, imposter syndrome, or fear of losing credibility are common but often under-discussed. These issues are often compounded by long hours, travel demands, and the performative culture of the industry, where vulnerability is perceived as weakness.

Skill advised: emotional intelligence. Consultants must better manage internal anxiety, present confidence, and build relational trust simultaneously.

6. Projects are increasingly complex and unstable

The recent way of world events made consulting projects more unstable. COVID-19 pandemic disrupted traditional consultancy and led to projects changing overnight. McKinsey (2020) pivoted quickly, helping clients adapt to supply chain shocks, remote work, and new risk models.

Brexit posed a similar challenge. McKinsey's report (Dimson et al., 2016) highlighted how productivity concerns, labour shifts, and new trade rules required constant adjustment. Long-term plans were replaced by scenario thinking and short sprints.

Skill advised: adaptability and learning agility. Consultants must absorb new data fast, revise strategies, and stay calm amid chaos. The pace of change will only accelerate.

II. Essential skills: what sets successful consultants apart?

Success in consultancy is not guaranteed by expertise alone. What distinguishes high-performing consultants is their ability to navigate uncertainty, relationships, and resistance. Below are the core skills, drawn from academic theory and industry practice, that enable consultants to thrive across client sectors, geographies, and crises.

1. Digital fluency and AI judgment

The rise of AI brings new skills into the spotlight. Consultants must go beyond basic usage of tools like ChatGPT or Copilot. They must understand when and how to integrate AI ethically, ensuring outputs are accurate, contextually appropriate, and transparently sourced.

- Prompt engineering: crafting effective AI inputs to retrieve valuable results
- AI critique: validating content for accuracy, bias, and tone
- Ethical foresight: navigating disclosure, authorship, and confidentiality issues
- Client education: guiding clients on the use and limitations of AI tools

As Miasin (2024) argues, AI will not replace consultants, but those who fail to learn how to work alongside it may find themselves replaced by those who do.

2. Cultural awareness and interpersonal sensitivity

Consultants frequently cross organizational and national borders. What works in one culture can fail miserably in another. O'Mahoney et al. (2021) show how national culture, such as collectivist vs. individualist mindsets, shapes how clients respond to advice, authority, and even the language of change.

Interpersonal sensitivity including empathy and contextual listening are not "nice to have" because they are survival skills. Consultants who understand group norms and power structures are more likely to influence decision-making. Those who do not may be ignored or resisted.

3. Reflexivity and boundary management

Consultants seem like not fully insiders, not fully outsiders. This creates tension. Sturdy et al. (2010) think that consultants must be reflexive: aware of how their presence, authority, and assumptions shape the outcomes they aim to influence. Without this awareness, consultants risk imposing irrelevant models or triggering defensive responses.

Boundary management also involves knowing when to speak, when to observe, and how to switch roles: expert, facilitator, or co-learner. Effective consultants read the room and reaffirm their opinion accordingly.

4. Persuasion, active listening and conflict resolution

Clients resist change even when they have asked for it. The Consulting Psychology Journal (Schein, 1995) highlights how consultants need more than facts; they need influence. Persuasion is not about charisma. It is about framing issues in ways that align with the client's values, easing cognitive dissonance, and facilitating ownership of solutions.

Conflict is common, especially when recommendations challenge established hierarchies or job security. Successful consultants use negotiation, storytelling, and diplomacy instead of confrontation to resolve tension. They shift from being "solution-sellers" to change enablers.

5. Emotional intelligence and self-confidence

Consultants often face emotionally charged environments: failing strategies, layoffs, political turf wars. At the same time, they operate under pressure to deliver results fast. Sturdy (2003) describes consultancy as "relationally fragile," where trust can evaporate quickly. Consultants need emotional regulation—to stay composed when challenged—and confidence to assert insights without arrogance.

They also need resilience. Projects can derail, clients may ghost, feedback can be brutal. Emotional intelligence allows consultants to navigate this without burnout or defensiveness, maintaining relationships and their own wellbeing.

6. Adaptability and learning agility

Crises like COVID-19 and Brexit exposed the limits of static consulting models. McKinsey (2020) pivoted from strategic planning to immediate operational fixes—remote work, supply chain reconfiguration, and digital acceleration. Consultants had to unlearn assumptions and relearn emerging norms in real time.

Adaptability means more than flexibility. It means learning quickly, acting without perfect information, and iterating solutions in fast-changing contexts. The International Journal of Project Management (Turner and Müller, 2005) links project success to consultants' ability to lead in complexity—not through control, but through sensemaking and real-time adjustment.

IV. Conclusion

The challenges discussed (AI impact, resistance, dual roles balance, knowledge transfer, insecurity, increasingly unstable projects) are not hypothetical. They are everyday realities in consultancy. What distinguishes effective consultants is not only what they know but how they work: collaboratively, reflexively, and adaptively. In our view, the most important challenge would be the disrupting impact of AI due to the inability to predict the full potential of this new technology and the consequences that come with it. Therefore, the most important skill for a modern-day consultant to thrive would be the digital fluency and AI judgment.

This analysis has certain limitations, primarily stemming from its academic nature. While this paper relies on widely available case studies and peer-reviewed literature, first-hand perspectives through interviews work would provide a better understanding into the lived experience of consultancy across roles and industries. However, the visible gap between theory and practice might be lowered through essay like this, if our essay has practical value and will be actually used in practice.

Personally, this research has reshaped how I view consultancy. I no longer see it as a purely knowledge, rational or procedural profession. Instead, I better understand it as a complex human process involving negotiation, positioning, emotional labour, and constant learning. It has made me more aware of the tensions consultants must navigate. Not just between clients and firms, but within themselves. That awareness will make me a more motivated professional going forward.

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