PURDUE
KRANNERT
SCHOOL OF MANAGEMENT

ANALYTICAL INSIGHT, GLOBAL LEADERS

Corporate Consulting Experiential Learning

MGMT 69000

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Text & Readings (in order of helpful but not required)

Friga, Paul, ***The McKinsey Engagement***, ISBN 978-0-07-149741-1 McGraw-Hill

Vandenbosch, Betty, ***Deigning Solutions for Business Problems***, 1st ed. ISBN 978-0787967659 Jossey-Bass (can be found online)

Block, Peter. ***Flawless Consulting,*** 3rd ed ISBN 978-0470620748 University Associates, La Jolla. (can be found online)

I. Course Objectives

There are many forms of value which consultants may bring and many uses. Most consulting engagements are not about the consultant having better domain expertise. It is unreasonable to expect a consultant to work with executives who have spent careers in that industry and know more than the executives about that industry. Consultants *may* bring expertise in areas of specialization such as pricing, going public or franchising.

Most consulting engagements are about the process of problem solving. A good problem solving process can lead to proper diagnoses of the core issues. There are structural and cognitive issues which keep managers from being able to objectively do root cause analysis. Managers roles have a defined scope which limits their search for answers. Daily responsibilities are disorganized and time sensitive. This often keeps the managers from being able to step back and view the larger picture. In fact, organizational processes have trained managers to think and work in specific ways which imparts guardrails to how they may problem solve.

Your role is to impart the scientific method of problem solving to the problem at hand. Lack of current process and domain knowledge can be an asset. It is typically not a limitation. For example, if domain expertise were required for problem solving in organizations, there would be no role for outside directors on boards. You are tasked with a problem and you are asked to identify the root cause of the problem *before* defining a solution. There are a number of cognitive biases which make this challenging for managers in the business. Consultants must also resist jumping to conclusions about answers. Instead, consultants need to develop hypothesis about the full range of potential causes to be tested.

If the step of scoping and developing hypotheses is done correctly, the project becomes more methodical and efficient. At the end, consultants have no need to use terms like "we think" or "I believe"; instead offering proof or supporting evidence. If not done correctly, teams will struggle, be confused, feel like they are not making progress, and often fail in their objective.

Significant value is also added by utilizing the vast assets of Purdue. This includes about $15 million/year of specialized database access and market research as well as domain experts (faculty). Remember, the answer does not lie within the firm otherwise they would have no need to engage a group of consultants. Finding the right secondary research for the firm to tap into is often of great value. Even more important is often our willingness to engage in primary market research. Managers often forget that their value chain partners often have pieces of the puzzle they need.

Because of this, you can think of your project as having two distinct areas of learning. One is in process, the other in the specific problem at hand. The process is relatively generic, adapted from McKinsey, and can be applied to any consulting project. The project itself is typically unique and allows you to use your own creativity.

II. Help me help you = Ask me

1. Hidden problems are the biggest source of project failure. It is not team capabilities. If you think you have a problem, don't know the answer, or are otherwise stuck and not making progress, notify me immediately. My role is primarily as senior consultant. Nothing hurts a project more than a team having an issue, and not raising attention to this thinking they should be able to solve it or it will hurt their grade.

2. You are not expected to know everything. There are many things about the consulting process that you will not know and cannot figure out on your own in a timely manner so ask me questions. I will not always tell you the answers because a) we might have to figure it out together b) I believe that thinking through the solution will be to your benefit of c) just because I may do things in a specific way does not mean it is the best way.

3. Use Brightspace for Everything related to document management to the extent possible and practical. It has hooks into Google Drive, One Drive, and Dropbox. I know there will be various tools available, but if you want me to see it, that will be the only place I will go. Use outlook for scheduling. It will not get on my calendar if you just send me an email; you will need to send an invitation.

III. The Relationship of Corporate Consulting to Other Business Administration Courses

Your education comes in a continuum of structure and abstraction. In many classes, such as statistics or finance, you are taught the structure of solution such as how to compute and use standard deviation or net present value. In cases, you are taught to search for the information which is relevant. Solutions exist within the case, but interspersed with red herrings. Unfortunately, the case method has one primary limitation: cases are the full package of problem and solution.

The world is much messier than cases. There are many more red herrings, they are fraught with baggage from political coalitions, and the source of answers is not delivered in a nice 40 page manuscript. Your team gets to decide which information is relevant and reliable. When the information does not exist, teams need to go out and get it or struggle through next best solutions. This is the world in which you will be working in a few short months. Many newly minted MBA's are not well prepared.

Whether you plan on getting into consulting or not, you will learn specific skills which will be critical to your success. The first is problem structuring. Given a business problem, we generally seek solutions closer to what we know or have experienced. Hopefully this class will teach you the benefits of investigating the mutually exclusive, collectively exhaustive.

The course also looks at factors which may affect team dynamics. The main issue is that cross functional teams will exist our whole careers. What is our role in making them more effective. Personalities and styles are not taken as "given". They can be shaped. Our goal is to shape them in the correct manner.

IV. You will probably be required to sign a NDA

The projects within this course typically require signing a non-disclosure agreement (NDA) with the company and signing over any intellectual property (IP) rights to company. This course does not develop protectable IP as it is focused on generating business advice.

If you are not comfortable signing such documents, you should not take the course. If you are assigned to a team and you refuse to sign required documents, you will be dropped. If we know, a priori, of projects which will not require these elements, we will advise students in the callout session.

I will read the NDA's to see if anything is out of order, but I have yet to find a NDA which has unreasonable demands. Remember that your clients will probably not share their top corporate secrets and they don't feel like chasing down a student for litigation.

V. Expectations of Students

1) Meetings with me or your clients will be virtual by Zoom unless the client specifies otherwise. I encourage students to meet virtually unless you can find an extremely large open space to socially distance. Even masked, sitting in a smaller room for lengthy periods of time to work together may add unnecessary risk.
2) Students may not take more than 18 hours of classes including this course (4 credits) during the semester.
3) You own the client. I will attend most Zoom meetings with the clients so I can listen and clarify things I don't understand.

4) Teams should set a standing time to meet as a team each week. You are to inform me via invitation through Outlook meeting notification of your weekly meetings. I may attend a portion of these meetings as time permits or as necessary. I recognize the team dynamic can be affected by my attendance and will try to strike a balance. Teams must follow up with me each week to discuss the project should I not be able to make the meeting. You may wish to designate a point person for follow-up.
5) Students are expected to free up their schedule to meet with clients with reasonable accommodation. This may include weekly or bi-weekly teleconferences, site visits, or travel to value chain partners.
6) Stay on task. The semester goes by fast and you have many demands and deadlines. It is easy to let deadlines slip. However, nothing will make you more uncomfortable than standing in front of your executive sponsors and having minimal to report.

VI. Grade Components

1) Client Evaluation (50%)
2) Faculty Evaluation (50%)
    a. Quality of Materials Prepared for Clients
    b. Staying on timeline and turning in of materials
    c. Team Development (working together)
    d. Keeping me informed of issues; especially team needs
    e. Other issues which I will bring to your attention
3) +/- Peer Evaluation – the typical issue is students time, focus and contribution, not capabilities

Some may not be comfortable with this type of grading since most are more familiar with grading individual assignments. However, since I am a collaborator, I strive to create the best material reflecting current knowledge and capabilities. As such, it is hard to not meet "rubric" style criteria.

You will always know "asks" such as "please rework section x of the presentation" or "make sure the team is cohesive with the client". As the semester progresses, you will be getting lots of feedback.

Grading will not be arbitrary, but internal Krannert policy allows a max aggregate GPA for experiential electives. Thus, there is typically a forced distribution of grades so those expecting an easy A will be disappointed. The course takes effort, but I continually hear it is one of the best courses taken.