

BARUCH BUSINESS CONSULTING

Fall 2024 Semester

Notes for Advisers

The following is an overview of the work the Business Consulting students will undertake in the upcoming 15-week semester. We intend it to provide you with an efficient way to understand not only the flow of lectures but also the reasons we present them, all of which have to do with enabling the students to be more productive, competitive, and successful in their own organizations.

Advisers

As we see it, Advisers are rigorous coaches who add their experience to the inexperience of their students, reinforce the quality standards the students must measure up to, and monitor the quality of work delivered to clients.

- There are 10 3-hour class Sessions (see Attachment) during which we lecture on topics from our own consulting experiences, repackaged as slides that we project for the class.
- The slides are available before the class and the students are expected to review them before the class and take notes on them during the class. Typically, we lecture for half the class and teams meet for the other half.
- In parallel with the lectures, student teams conduct semester long client projects working to solve real business problems. Students are given a list of clients and projects before the semester starts, asked their preferences, and assigned to teams prior to Session 1.

Team Touchpoints With Clients

Teams have at least 3 touch points with their clients.

- At the start of the semester, in a 3-Session Phase 1, they interview the client and write a short but formal Letter of Proposal (LOP) explaining their understanding of the clients' situation, the problem or opportunity the client wants the team to tackle, the end products they commit to deliver at the end of the semester, and the approach they propose to take to develop those end products.
- The second touch point comes at mid-semester, near the end of a 6-Session Phase 2, at which time the team presents a mid-term Progress Review (PR) to the client explaining where they stand in the analytic work and where the analysis is headed.
- The last touch point is the final PR, at the end of a 7-Session Phase 3, at which time the team lays out their findings, conclusions, recommendations for action, and an implementation plan.

The substance of each Session, and the value the Adviser can add, are summarized below.

Session1

Session 1 is a mixture of start-up housekeeping (basic info), a course overview, a management consulting case study covering work done by Baruch students, and a tutorial on designing slides for visual presentations.

The course overview provides basic facts about the Course and, at a high level, the consulting skills we teach: teamwork, problem solving, capturing opportunities, managing clients, building business skills.

- We assert that many client projects fall into one of two buckets: 1) clients with problems that, if not resolved, have negative consequences and 2) clients with opportunities that, if captured, have positive consequences. The way

consultants approach the two types of engagements is different.

- We point out that most people who join consulting firms are hired after a few years tenure by their clients, because they are so well trained. We also talk about the sources of training (e.g., cases, frameworks) and the central importance of the client project.

The management consulting case describes a problem solving project conducted by Baruch student teams. It makes real the basic problem-solving process: 1) finding the problem, 2) analyzing the problem to understand what is causing it, 3) drawing conclusions about how to solve the problem, and 4) recommending actions/next steps to implement the solutions. It also uses financial modeling to analyze the problem and draw conclusions, and it provides an example of the usefulness of story telling in a presentation.

- We remind the students that in the real world the consultants have not earned their fees unless their client successfully implements their recommendations.
- Management Consultants communicate with clients in writing and with visual presentations, but visual communications dominate in importance. Designing and giving visual presentations is a key skill and we start in Session 1 to build that skill by illustrating basic visuals and explaining how each slide communicates it's point.
- We return to this topic in Session 5 just before the mid-term progress review takes place. **A significant role of the Adviser involves critiquing their teams' presentations, explaining why in places they do not communicate well, and suggesting how to fix the problem.**

Session 2

During the week after Session 2 the teams meet their clients and learn what the problem or opportunity is that they will work on.

- **Advisers should help their teams prepare for that meeting by reviewing the team's information request, their plans for familiarizing themselves with the clients' company, industry, and competition, and their interview guide.**
- This is the teams' first touch point with the client and based on what they learn in this meeting they will write their LOP. To prepare them we explain, during Session 2, the LOP process and provide directions the students follow. The format and content are set.
- **We ask the Advisers to become substantively involved in creating the LOP, checking that the proposed approach to developing the end products makes sense and if not, suggesting changes. Advisers also need to assess whether the scope of the work appears reasonable--there is sometimes a tendency to over promise unnecessarily, and those instances need to be identified and corrected. Advisers should also check the quality of the writing. We want "Client Ready" documents, which means no typos, misspellings, convoluted logic--basically the quality standard demanded by professional consulting firms.**

Beyond the LOP tutorial we give a lecture describing an example of a second type of management consulting assignment, the Neoprobe Case, which involves figuring out what the client must do to capture an opportunity presented by a novel technology. The other topics in Session 2 have to do with Financial Models and a technique called Issue Analysis.

- The Neoprobe Case. A group of colorectal surgeons, back in the 1990's, invented a way to detect occult colorectal tumors. These were the tumors that came back in 5 years, after the primary surgery, in a third of patients. The surgeons had proved the technology worked clinically but didn't have a clue about how to commercialize it, so they retained JP Morgan's M&A people to find them a commercial partner. This case tells the story of how the Morgan consultants did the project. It illustrates the development of a business case for a nascent business, with all the difficulties that entails, a pitch deck, and it

demonstrates that MBAs don't need to understand a technology in depth in order to deal with a technology-based business problem.

- Financial Models. Management consultants rely on Frameworks to help them analyze problems, test solutions, and draw conclusions in a time efficient way. Financial models are a common type of framework the students need to know how to use. The Astron Case from Session 1 relied heavily on a financial model, and we review how it was set up in this Session 2 tutorial.
- Issue Analysis. When the students come out of their first client meeting and face up to the task of writing the LOP (quickly), **Advisers can help them enormously by coaching them on developing an Issue Analysis.** To develop the issue analysis the team needs to brainstorm and think thru possible reasons for their clients' problem (and how to analyze them) or possible ways to help their client capture an opportunity.
- **Advisers' experience dealing with real-world problems and opportunities will be key to giving the team the support and confidence they need to get past this critical (often unfamiliar) hurdle in the short time allotted for the task.**

Session 3

Prior to Session 3 teams are required to meet their client, learn what their clients' problem or opportunity is, conduct an issue analysis, draft the LOP and Project Plan, get the Adviser to sign off on it, and submit the draft LOP to the Faculty.

- Faculty review the LOP and in Session 3 teams meet individually with the Faculty, who need to learn how the first client meeting went and provide feedback on the teams' Issue Analysis, LOP, and Project Plan.
- **Following that, teams need to reconfirm everyone's problem-solving responsibilities, revise their Project Plan**

as necessary, and submit the revised plan to their Adviser for comment.

- Once the LOP is approved by the client and Faculty the project can launch.

Session 4

Session 4 starts with a status report from each team followed by discussions on:

- An academic paper (by Turner) describing how management consultants create value for clients (it omits the most important way, however),
- A presentation on creating shareholder/stakeholder value,
- A discussion of an important analytic tool (the 80/20 rule and the product/market grid) that enables teams to quickly find out where value is being created in a business, the starting point for any profit improvement project.

At this time Advisers should remind their teams that it is not too early to start thinking of the main messages they want to deliver in the mid-term PR, which is only 2-3 weeks away.

Session 5

Session 5 provides a blueprint for the mid-term progress reviews.

- Professor Gold presents a lecture on "Organizing Information and Telling Stories"--an explanation of the so-called "Pyramid Principle" used by McKinsey consultants to structure their client presentations, and we follow that with a real example of such a presentation (a recommendation to a client to undertake an acquisition program). Teams then break out to work on the draft of their mid-term PRs.
- **The week between Sessions 5 and 6 is a high impact time for Advisers to work with their teams. Client and Adviser**

presentations are scheduled for the period between Sessions 6 and 7.

Advisers should focus on the quality of their teams' thinking (i.e., the logic and support for their findings and emerging conclusions). We regard the mid-term presentation as a first draft of the final presentation.

Session 6

The Session 6 class involves teams giving 15-minute presentations to the Faculty. This is an opportunity to practice speaking in front of an audience. The format is the Pyramid Principle and directions are in the Syllabus/Schedule.

Sessions 7,8,9,10

These sessions focus on typical management consulting engagements.

- Session 7 lectures describe how a go-to-market strategy is developed. There is also a discussion of various bits of management consulting lore ("nuggets") that students should understand if they are considering joining the profession.
- During the breakout in Session 7 teams do a postmortem on their mid-term presentation, identifying their strengths/weaknesses as a team and as individuals, and drawing up a punch list to guide preparation of the final PR. **Advisers will have listened to their teams' mid-term PR and can evaluate the completeness of their punch list.**
- Session 8 presents the Gronbach Case, a project conducted recently by a joint Baruch Zicklin/Bozen-Bolzano team for a European Client. The problem was to develop a market entry strategy for the European manufacturing company who had no position in North America. Session 8 goes on to describe the basic economics driving commodity businesses, called cost curve analysis. Understanding it enables consulting

teams to advise commodity clients on such issues as where to invest capital, whether to divest a business or close a plant, and how to value a business for acquisition or divestiture.

- Session 9 describes a holistic way to think about organizing an enterprise, no matter whether it is for profit or not for profit. It also explains tools management consultants use to identify causes of organizational ineffectiveness and how to strengthen organizational effectiveness, insights the students can use immediately to help them understand the organizations in which they work and the organizational issues they may be facing.
- Session 10 describes how some companies think strategically about investing in their technologies and using them to gain advantage over their competition.

Importance of the Last Month

- **During this last month the teams will be working on finalizing and polishing their final presentations. Advisers can play a key role in this effort and should work with the team leader to decide how to make this happen.**
- **Dry runs of the finals are scheduled with Faculty and Advisers between sessions 11 and 13.**
- **Teams are instructed to get drafts to Advisers one day in advance at a minimum, and Advisers will no doubt have guidance for their teams after they see/hear the dry run.**
- Final presentations to clients happen between Sessions 14 and End of Semester. **Advisers are welcome to participate.**

January 2024

