

Why Consulting?

THERE ARE ANY NUMBER of reasons one might choose to pursue a career in consulting. The idea of spending your career sharing your knowledge to help others can be undeniably appealing, especially for those of us who are driven to serve others.

Other things that make the idea of consulting attractive include

- freedom and independence to pursue things that interest you,
- ability to influence change and make a difference,
- ability to gain experience from a wide variety of situations in a relatively short period of time,
- financial security, and
- escape from more hierarchical structures dominated by personal politics.

As one author puts it in describing the motivation of some of the pioneers of consulting, “the wild intellectual adventure was often as intriguing as the prospect of grabbing the brass ring of finance or career success” (Kiechel 2010).

THE PROBLEM WITH CONSULTING

In gaining recognition as a profession, consulting faces a number of obstacles. Obviously, not all images of consulting or consultants are positive. For example, in technology circles, becoming a consultant is openly referred to as going to the “dark side.” Patrick Gray, in his insightful *TechRepublic* article titled “Going to the Dark Side: Should You Consider Becoming a Consultant?,” advises “Get ready

for routine uncertainty” and “Determine your willingness to take on several jobs” (Gray 2019).

What it means to be a consultant is easily confused with a broad array of functions, many of which are inconsistent with what it means to be a *management* consultant. For example, consulting can easily get mixed up in the so-called *gig economy*, about which there is some excitement, especially among the younger generations. As the name implies, the gig economy is “a free market system where organizations and independent workers engage in short-term work arrangements” (Duszynski 2020). Despite some controversy surrounding the gig economy, indications are that it is here to stay. The following excerpt from Duszynski (2020) lists some of the early findings:

- 57.3 million people freelance in the United States. It’s estimated that by 2027 there will be 86.5 million freelancers. (Upwork)
- 36 percent of US workers participate in the gig economy through either their primary or secondary jobs. (Gallup)
- One in six workers in traditional jobs would like to become a primary independent earner. (McKinsey)
- For 44 percent of gig workers, their work in the gig economy is their primary source of income. (Edison Research)
- 55 percent of gig workers also maintain full-time or regular jobs. (PYMNTS)
- 75.7 percent of workers would not quit their gigs for a full-time job. (PYMNTS)

The potential problem for consulting posed by the gig economy is that it opens the door even wider for *contractors or hobbyists* with little or no qualifications to try their hand at management consulting. This only adds to the confusion of what consulting is and detracts from any attempts to solidify its perception as a respectable profession. While consulting certainly can be included as part of the gig economy, this book focuses instead on the trained full-time consultant, not the hobbyist who picks up a gig or two on the side, which is often nothing more than temporary staffing.

Another, more general problem facing consulting is the gap that exists between the popular *idea* of consulting and the actual *experience* of consulting. Too many people come to the profession unprepared for what consulting really is. I have heard the profession described as “mentioning the unmentionable in a mentionable way.” This is hardly attractive for the weak at heart. Combine a lack of preparation regarding the realities of independent consulting with the inherent complexity of the healthcare industry, and the result can be dramatic and involve precipitous failure.

I completed my master's program in 1975 at a time when jobs were hard to come by. I ended up securing a two-year contract to launch a B-agency planning initiative¹ aimed at facilitating greater collaboration among eight hospitals in central Pennsylvania.² When I was still in school, I had sent my resume to several consulting firms, including Booz Allen. A year into my two-year contract, a recruiter from Booz Allen contacted me and asked if I was still interested in a position. I replied that I was under contract and therefore could not entertain the opportunity at that time. After I hung up, I was immediately scolded by my colleagues on the project. I called the recruiter back, and the rest, as they say, is history. In truth, at the time I had virtually no idea what I was getting myself into.

APPEARANCES CAN BE DECEIVING

As an undergraduate, I earned a premedical degree, but ended up going in a different direction. I was struck by the experiences of several friends who were studying to become nurses with a bachelor of science degree. They had put so much time and effort into the didactic work the first two years, yet many grew disillusioned, sometimes instantly, with the practical experience of nursing on a hospital floor beginning in year three.

The enormous administrative apparatus that gets in the way of caring for patients can be quite disheartening to both nurses and new physicians. A common refrain among physicians is "This is not what I signed up for." The soaring idealism that drives many to pursue medicine becomes tarnished by the realities on the ground. More than a few physicians have been forced to conclude that the system makes it virtually impossible for them to provide patients with good experiences, which leaves the physicians themselves dissatisfied and, in many cases, burned out.

The problem of clinician burnout is exacerbated by the dramatic changes taking place in the overall healthcare industry today. For example, the now-ubiquitous electronic health record has yet to prove itself as an efficient tool in day-to-day clinical practice. Physicians and nurses have to be trained on "the latest and greatest" even if these new techniques and technologies do not fit their style

1. This refers to the network of community agencies formed as a result of federal legislation put in place to help guide the investment of funds flowing into healthcare after the passage of Medicare and Medicaid legislation. They are better known as "certificate of need" agencies, a few of which still exist today.

2. It is interesting to note that now, over 40 years later, the eight hospitals are now down to seven and part of three separate and competing health networks.

of practice. While there are clear benefits to digital records (alerts and reminders, for example), the transition has not been an easy one.

MYTHS VERSUS REALITIES OF CONSULTING

There are a number of myths associated with consulting (see exhibit 1.1). Of these, the myths relating to work–life balance are probably the most daunting. As we'll see when we look at different consulting firms, work–life balance appears to be a constant struggle as part of the consulting experience.

It is rare in the life of a consultant to think that our work life and personal life are in balance. Though rewarding, serving even the best client effectively is unlikely to occur without some personal sacrifice. It could be a family event that conflicts with an important client meeting. It could be a phone call in the middle of a family vacation (like the one I got from a long-time client as we were en route to a family dinner in Nice, France). To be sure, every career calls for some form of sacrifice from time to time. In consulting, however, it is perhaps more an expectation than an exception. The problem is that those who go into consulting tend to think that not having a boss in the usual sense means that their time is their own. Consultants quickly learn that their clients control their time more than one might expect. As always, managing expectations is crucial.

Consulting can compete with any profession when it comes to fulfillment and reward. Even so, it presents challenges at both ends of the career spectrum. To aspiring students who might be attracted to consulting, it is important that they understand what awaits them in terms of recognition (or lack thereof). Gaining recognition for one's consulting work is a challenge, and it might take considerable time to gain such recognition and establish a personal brand (see chapter 3 for more on personal brand). Not everyone has the patience for this. But then this must be weighed against the career progression of other healthcare occupations. Toward the end of one's career, consulting can be a great way to monetize the experience that has been gained in the trenches over the previous years. Healthcare is complicated. Knowing how to navigate in the culture of these complex organizations is a big part of a successful consulting engagement and is something that only comes with experience.

There is nothing wrong with approaching consulting as a first step in an executive career. Done right, consulting is a great way to begin a career and gain exposure. However, for one interested in becoming a career consultant, it is important to reflect on one's personal needs and the degree to which they intersect with what consulting can realistically offer. Needs, expectations, and reality must converge if one is to pursue consulting successfully over time.

Exhibit 1.1: Some Consulting Myths

Dimension	Myth	Reality
Accessibility	Anyone can be a consultant.	It takes a certain personality to be a successful consultant over time.
Living the dream	Consulting is easy.	There are few professions that are more demanding.
Sales	If you can do the work, you can sell the work.	Consulting requires mastering skill sets that do not necessarily overlap.
Good clients	All clients are good, and clients are always right.	There are bad clients, and clients might be more wrong than right most of the time—which is why consultants are hired in the first place.
Wealth-building	Consulting is lucrative.	Consulting remains an attractive entry-level position due, in part, to high starting salaries. But the correlation of compensation to business-generation can be quite daunting.
Failure	Failure is rare.	Failure is alarmingly common.
Rewards	Consulting is always fulfilling.	Consulting can be and often is fulfilling, but there are inevitably times of great stress and dissatisfaction.
Flexibility	Consulting is far more flexible than the typical position in a healthcare organization.	This can be true at times and during certain stages of a career; but clients tend to limit flexibility, even when you own your own firm.
Learning	Consulting mostly involves applying what you already know.	Successful consulting requires continuous questioning, learning, and unlearning.
Risk	There is risk only at the beginning of a consulting career.	Though success or failure might be quickly determined, the risks get bigger over time.
Transfer of skills	Most operational skills are transferable to consulting.	Relatively few operational skills are transferable.
Occupational hazards	Consultants are better able to maintain objectivity and stay above the fray.	One must work hard not to become cynical about the work and clients over time.

THE STABILITY OF CONSULTING COMPARED TO TRADITIONAL EXECUTIVE MANAGEMENT

Though it is perhaps counterintuitive, consulting can offer more stability than many executive jobs. Most executives have three to five employers during their careers. Of course, this varies considerably by industry. One of the most-watched statistics in healthcare is the administrator turnover rate in US hospitals. This rate has been tracked for many years by the American College of Healthcare Executives (ACHE), the professional association of healthcare executives (see exhibit 1.2). Note that while the number of hospitals has declined in the past six years overall, the turnover rate has held stable at close to 20 percent. Generally speaking, this is a relatively high rate of turnover. It means that, on average, a hospital CEO will change jobs every five years. So much for job security! By way of example, during the more than 40 years I have been a consultant, I have lived in the same general area the whole time; in contrast, one of my hospital administrator friends has moved eight times, including from coast to coast.

Executives and consultants have different *dissatisfiers*. (See chapter 4 for a more detailed discussion on consultant dissatisfiers.) Executives tend to worry about their bosses. They also worry about the people who report to them. Much of their work involves hierarchical relationships. Personnel issues seem to be less worrisome for consultants. Consulting is, by its very nature, a team sport, where a consultant is part of a consulting team for a client engagement. Sometimes, they are part of several teams at one time, related to different client engagements. The number of teams depends in part on the size of the firm and the nature of the

Exhibit 1.2: Hospital CEO Turnover Rate*

Year	Turnover rate (%)**	Number of hospitals
2019	17	4,438
2018	18	4,465
2017	18	4,435
2016	18	4,401
2015	18	4,448
2014	18	4,501
2013	20	4,546

* Nonfederal, general medical, and surgical hospitals.

** Rates before 2016 are statistically adjusted to correct for errors in reporting. Based on a telephone survey in 2017 using a sample of 300 hospitals, we determined that adjustment of the rates for 2016 and subsequent years was not necessary.

Source: ACHE (2020).

practice. Some seasoned consultants would argue that involvement with multiple teams dealing with different challenges is part of the fun of the consulting experience because it exposes one to different people and the way they do things.

TIP FROM THE TRENCHES

It is probably the steep learning curve that sets consulting apart from other potential career paths for the new careerist. It is common to hear from recent grads that what excites them the most about the prospect of consulting is the ability to have an accelerated set of experiences with many different organizations, rather than being tied to one organization for an extended period of time. To find success as a consultant, one must try to consolidate lessons drawn from a broad range of experiences. Especially as a new careerist, take some time at the conclusion of each consulting engagement to document what you've learned from the experience. This will accumulate over time.

This complex team experience is not for everyone. It tends to be quite intense, making for an exciting adventure, where your skills are mixed with those of others to solve problems or promote change. Though there is no lack of excitement in the life of a health system or hospital CEO, the issues they face are more often in the realm of so-called “career-limiting acts.” These represent difficult decisions, often involving members of the medical staff, where it is easy to get drawn into personality issues that often don't go well for the executive. It is a slippery slope as they say. The volatility of healthcare management today cannot be overstated. In comparison, consulting, while still involving risk, is perhaps less volatile.

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