



Aalto-yliopisto Kauppakorkeakoulu
Aalto-universitetet Handelshögskolan
Aalto University School of Business

42E01200:

CEMS Special Topics in Global Management, Lecture

Consultancy

Session 03

- Guest speaker: Reaktor
- Problem solving (cont.)

Hiroshi KANNO, Visiting Professor

Dina MYLLYMÄKI, Teaching assistant

January 22, 2024

SESSION 3

Session	WHEN	WHERE	WHAT	Assignments		
				Pre-session		Post-session
				Read:	Submit:	Submit
1	Mon Jan 15 14:00–17:00	Y346 Undergraduate Center	1) Introduction: what is consulting	Laffitte	Student Profile Form	Reflection From (online)
			2) Core consulting skill: Problem solving			
2	Wed Jan 17 14:00–17:00	BCG Helsinki Office	Learning from a consulting firm: Boston Consulting Group	Nikolova, et al.		Reflection From (online)
3	Mon Jan 22 14:00–17:00	Y346 Undergraduate Center	1) Learning from a consulting firm: Reaktor	Wright, et al.		Reflection From (online)
			2) Core consulting skill: Problem solving			
4	Wed Jan 24 14:00–17:00	T003 Väre	1) Learning from a company using consultants: Bayer	O'Mahoney, et al.		Reflection From (online)
			2) Core consulting skill: Project management			
5	Mon Jan 29 14:00–17:00	Y346 Undergraduate Center	Student presentation	(none)	Presentation material (PowerPoint)	1) Reflection From (online)
						2) Key learnings from the entire course

SUGGESTED TIME TO BE SPENT FOR THE GROUP ASSIGNMENT

7. COURSE WORKLOAD

Classroom hours	15 h
Class preparation - reading	5 h
Class room preparation - reflections	5h
Assignment – consultancy recommendation	15 h
Total	40h

AGENDA

Guest speaker: Mari Piirainen, Reaktor

Your feedback and my response

Problem solving (cont.): Structuring issues

Frameworks: pros and cons

Quantification (if we have time)

THANK YOU FOR SUBMITTING STUDENT PROFILE FORM (1)

What is your expectation to the course?
What would you like to learn from the course?

1. Skills

“I expect that the course challenges my thinking and is able to improve my skills in how to approach and solve problems effectively.”

“I wish to further sharpen my problem-solving skills and analytical thinking.”

“Effective problem solving and efficient project management techniques.”



I will continue to discuss the core skills for consulting

- More focus on “problem solving”
- A little bit about “project management”

THANK YOU FOR SUBMITTING STUDENT PROFILE FROM (2)

What is your expectation to the course?
What would you like to learn from the course?

2. Real life of a consultant

“Gain some sense of working in a consultancy setting. I would like to know if I want to enter into the area of consulting.”

“Gain more practical insight into the industry. For instance, how is the work divided and how does the collaboration work with clients.”

- How to work with clients?
- How to work as a team?
- Work-life-balance?



THANK YOU FOR SUBMITTING STUDENT PROFILE FROM (3)

What is your expectation to the course?
What would you like to learn from the course?

3. Hiring process, especially interviews

“Gain tips and knowledge all the way from the application process (i.e. case exercises) to the actual work life.”

“Would like to learn as much as possible about application processes and interview expectations.”

“Want to know what the “case interview” of many consulting firms is like.”



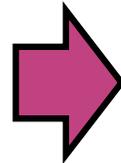
I did not expect this...

→ I will do some mini-exercises in the style of “mock interview”

THANK YOU FOR YOU FEEDBACK (1)

Class participation

“I raised my hand a couple of times but I was not called.”



Usually this is not going to be a problem with the class size of 19 students...

But write down in your feedback form what you wanted to say

“At BCG, we did not have much time for discussion/question...”



For the BCG session, I will automatically give everyone at least 3.5/5 even if you did not speak up.

THANK YOU FOR YOU FEEDBACK (2)

Evolution of consulting

“From WHAT to HOW.” (BCG)

“Outside expert → consultant → partner.” (BCG)

“Recommendation → results” (BCG)

“The expert model → the critical model → the social learning model.”
(N. Nilolova, M. Reihlen and J. F.Schlanpfer)

OLD DEFINITION OF CONSULTING OUTDATED?

Recap:
Session 1



Héléne Laffitte

“Provision of expert advice
• to another person or entity (“client”)
• in exchange for compensation for services.”



Source: <https://consultingquest.com/insights/8-stages-history-of-consulting/> , modified by the instructor

AGENDA

Guest speaker: Mari Piirainen, Reaktor

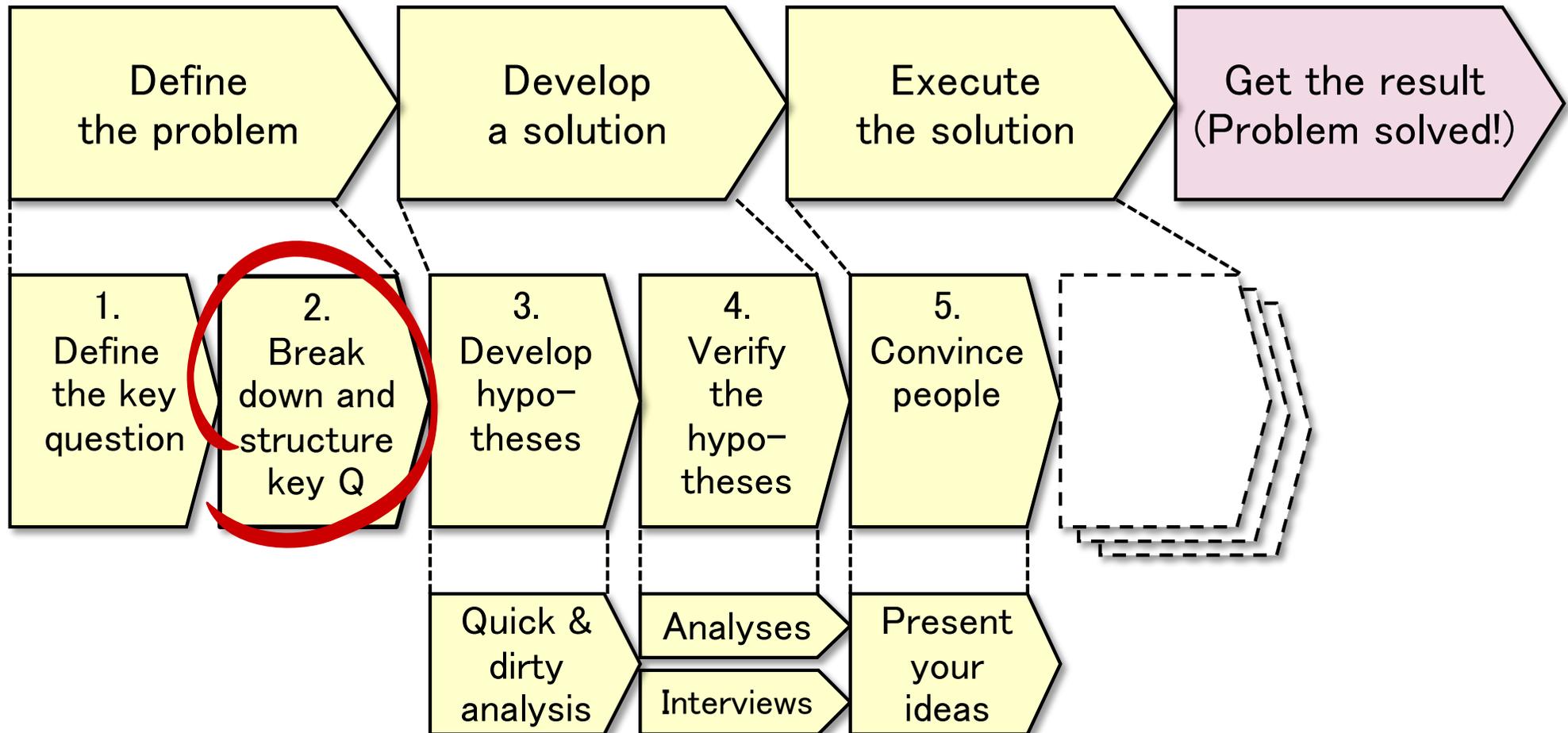
Your feedback and my response

Problem solving (cont.): Structuring issues

Frameworks: pros and cons

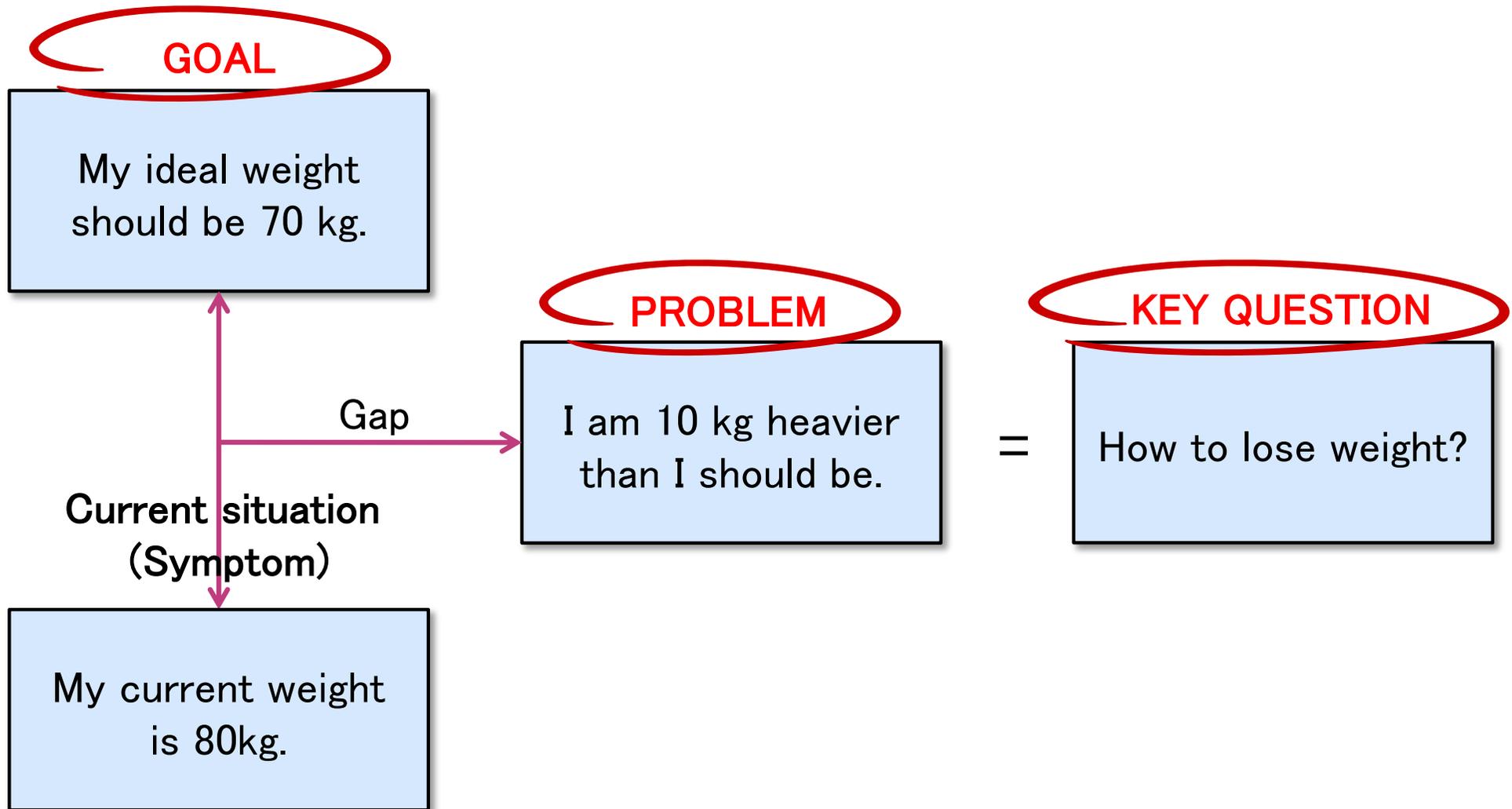
Quantification (if we have time)

CONSULTING: A TYPICAL PROCESS

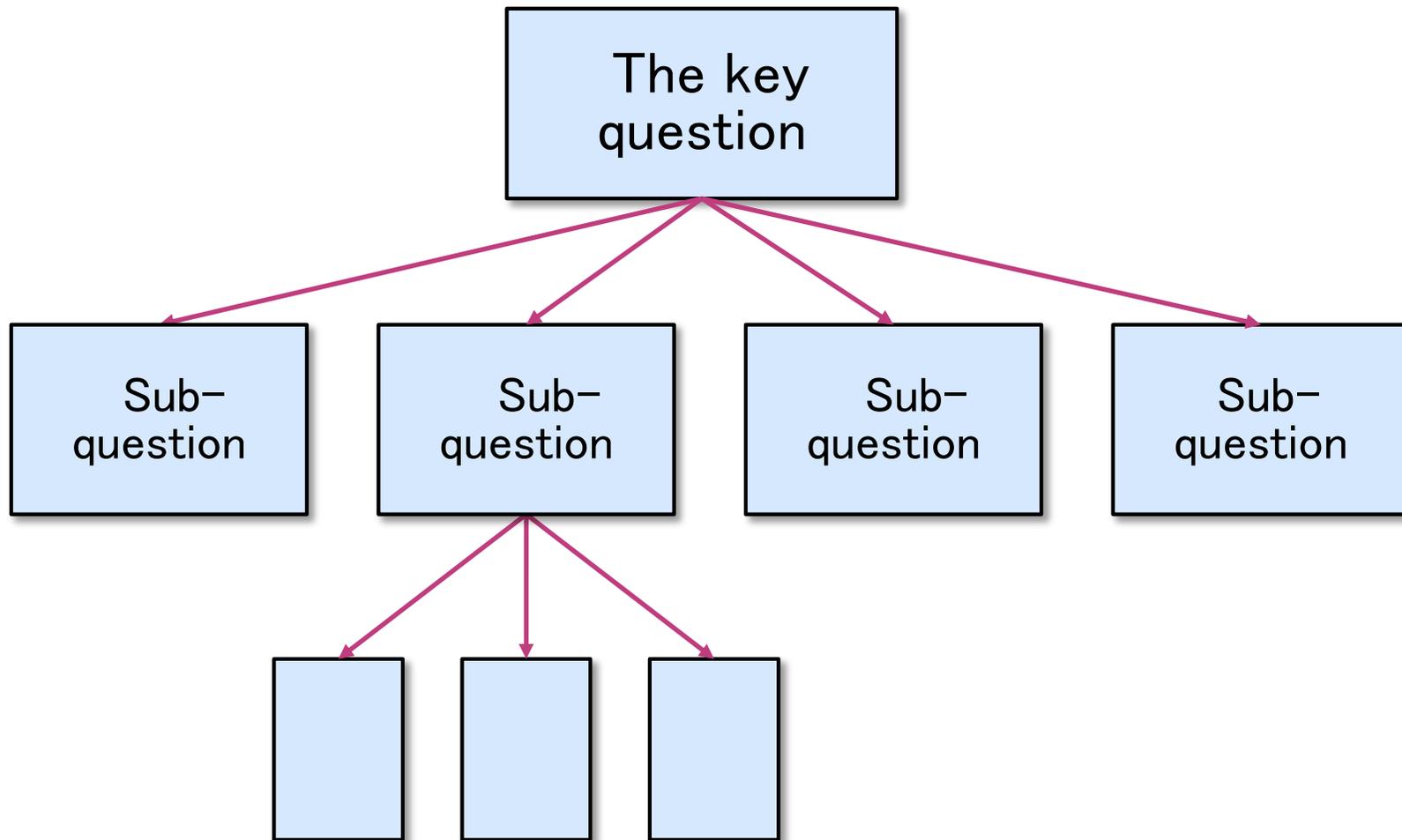


PROBLEM – GOAL – KEY QUESTION

Recap:
Session 1



BREAK DOWN THE KEY QUESTION AND STRUCTURE THE ISSUES



MINI-EXERCISE: HIROSHI SPORTS SHOES CO.

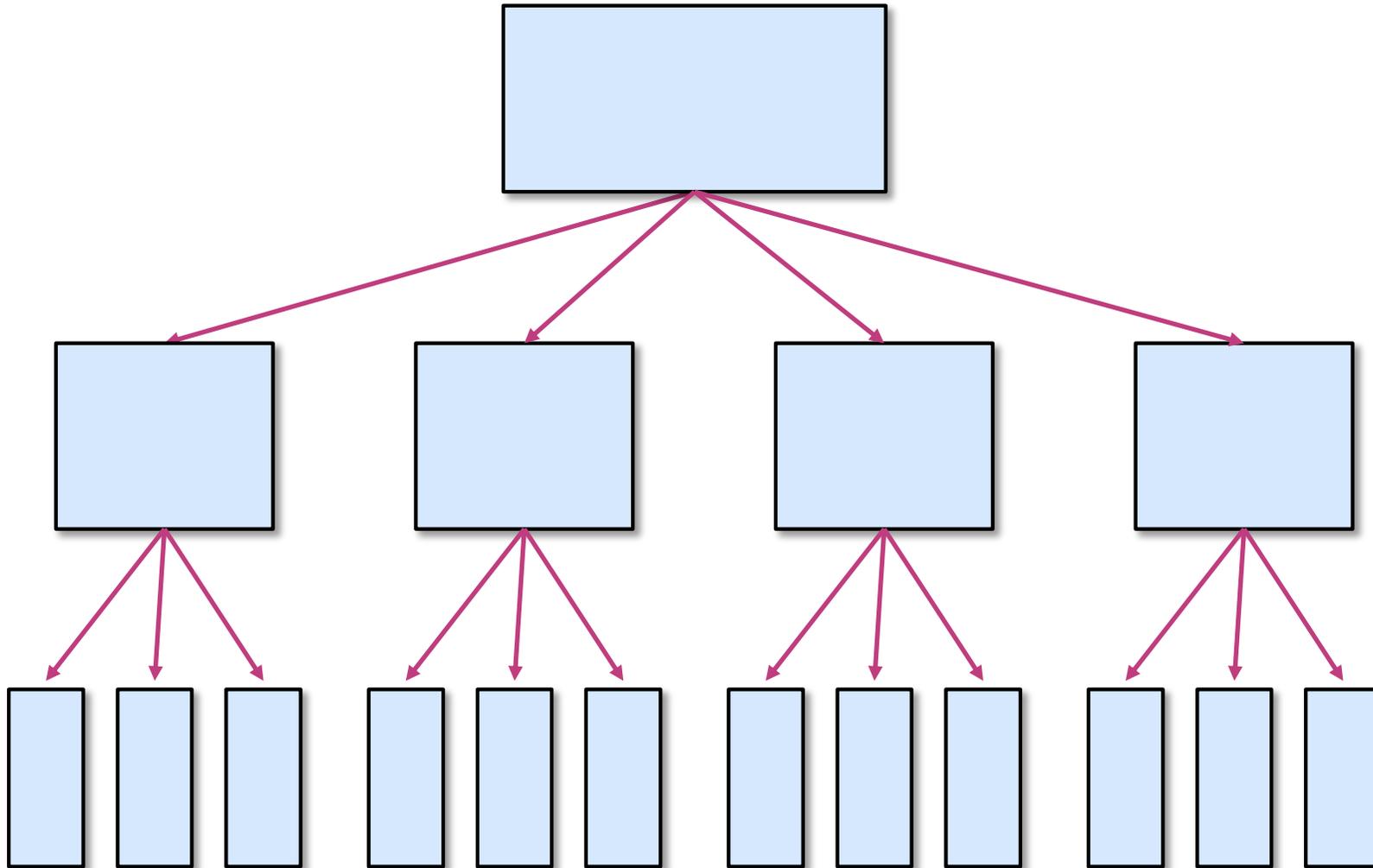


MINI-EXERCISE (AND MOCK INTERVIEW): TOKYO RUSH HOUR

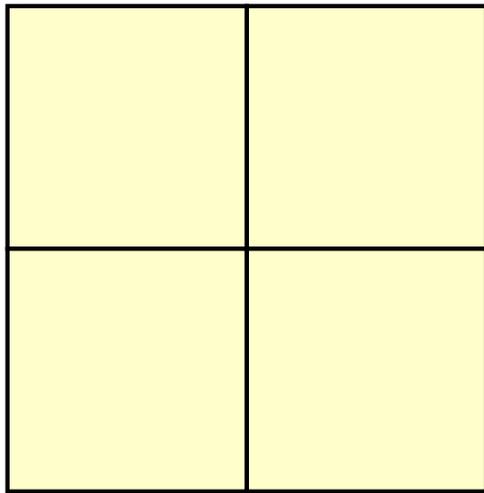


https://www.google.com/search?q=TOKYO+RUSH+HOUR&source=lmns&tbm=vid&bih=697&biw=1485&rlz=1C5CHFA_enJP857_JP857&hl=ja&sa=X&ved=2ahUKFwiHtPe8yvCDAxWpFhAIHdIMCqgQ0pQJKAJ6BAgBEAY#fnstate=ive&vld=cid:9431a450.vid:75TCAet7Vk0.st.0

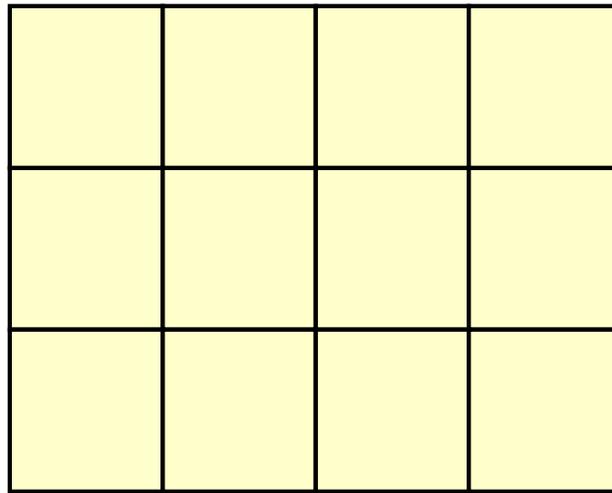
SOME TIPS FOR STRUCTURING ISSUES (1): TREE



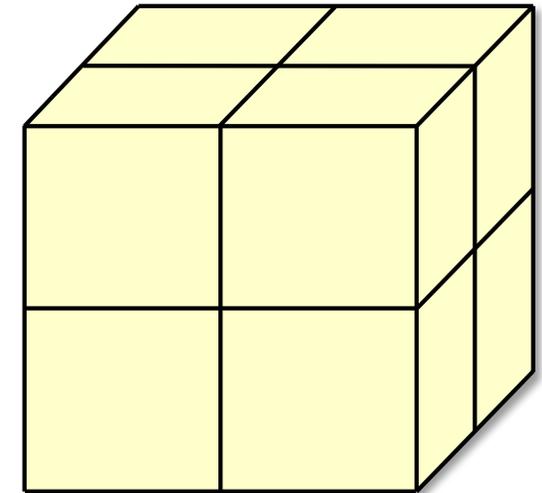
SOME TIPS FOR STRUCTURING ISSUES (2): MATRIX



2 x 2



M x N



3 dimensional

SOME TIPS FOR STRUCTURING ISSUES (3): EQUATION

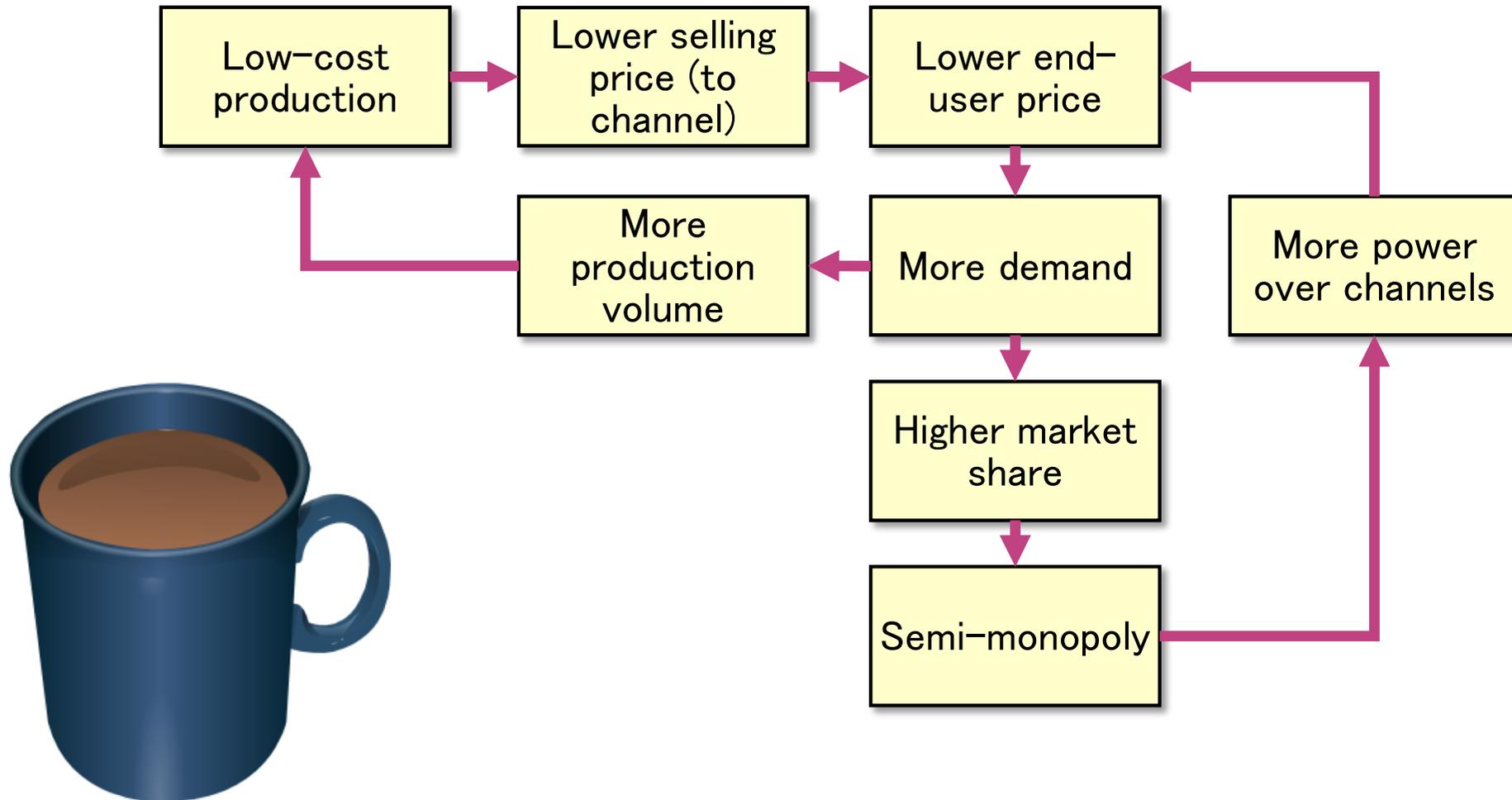
$$\text{Profit} = \text{Revenue} - \text{Cost}$$

$$= (\# \text{ units}) \times (\text{unit price}) - (\text{variable cost} + \text{fixed cost})$$

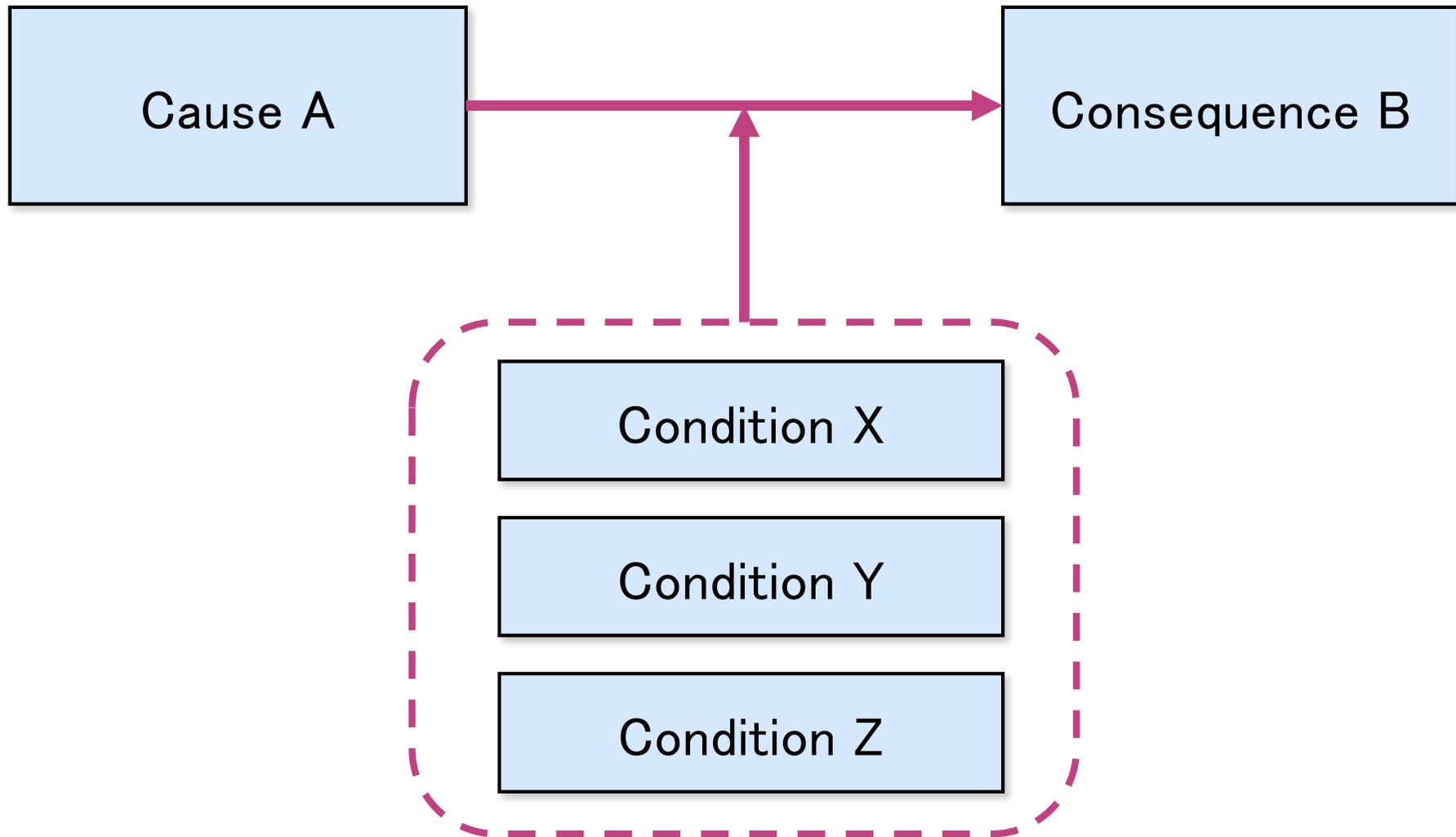
$$= (\# \text{ units}) \times (\text{unit price}) - [(\# \text{ units}) \times (\text{unit cost}) + \text{fixed cost}]$$

$$\text{Sales} = (\# \text{ sales persons}) \times (\# \text{ visits}) \times (\% \text{ deal making}) \times (\text{sales/deal})$$

SOME TIPS FOR STRUCTURING ISSUES (4): CAUSAL LINK



WHAT IS MISSING?



THINKING STRATEGICALLY



Develop a first-cut logic quickly

- Why this business plan works

Check the logic you developed

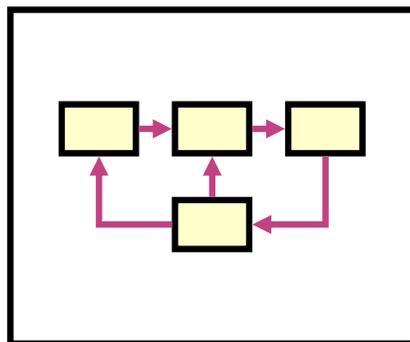
- Does it really work?

Think “micro”

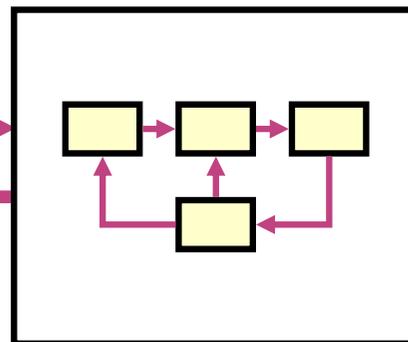
- Any missing assumptions?
- Any better alternatives?

Step back and think “macro”

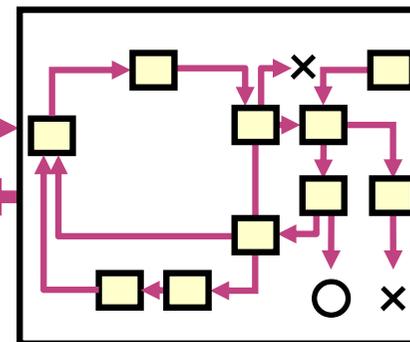
- What is the core?
- What are the peripherals?



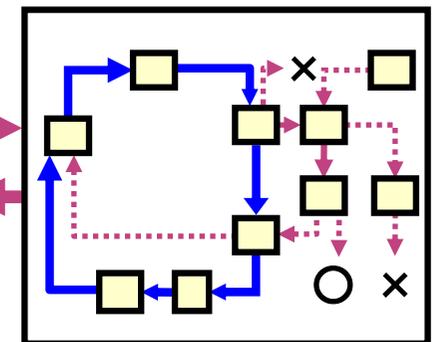
Positive thinking



Negative check



Add details



Cut the details and extract the core

Develop hypotheses

Verify the hypotheses

Data/interviews/analyses/...

AGENDA

Guest speaker: Mari Piirainen, Reaktor

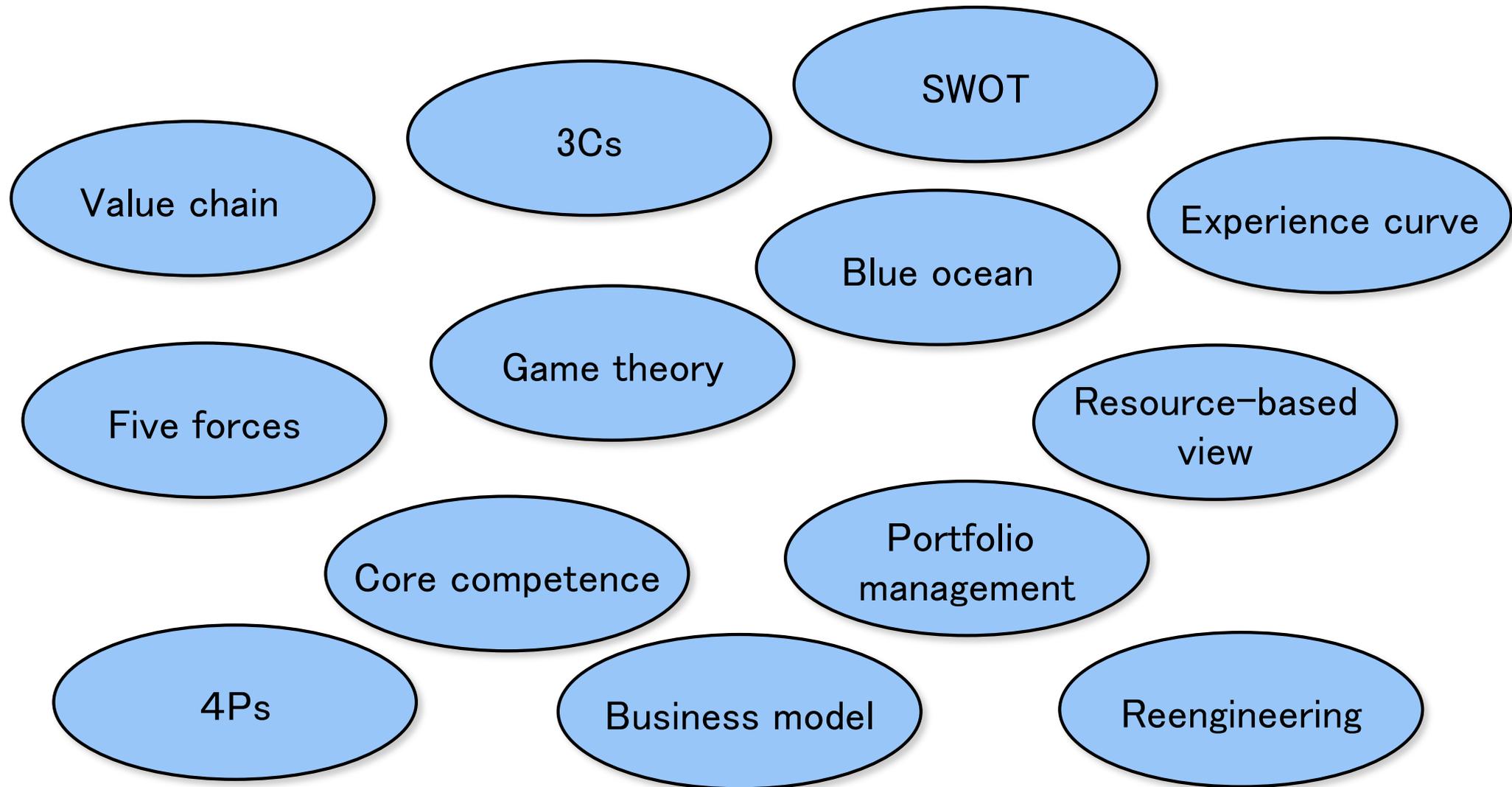
Your feedback and my response

Problem solving (cont.): Structuring issues

Frameworks: pros and cons

Quantification (if we have time)

SO MANY “FRAMEWORKS” OF STRATEGY...



PROS/CONS OF FRAMEWORKS/TOOLS



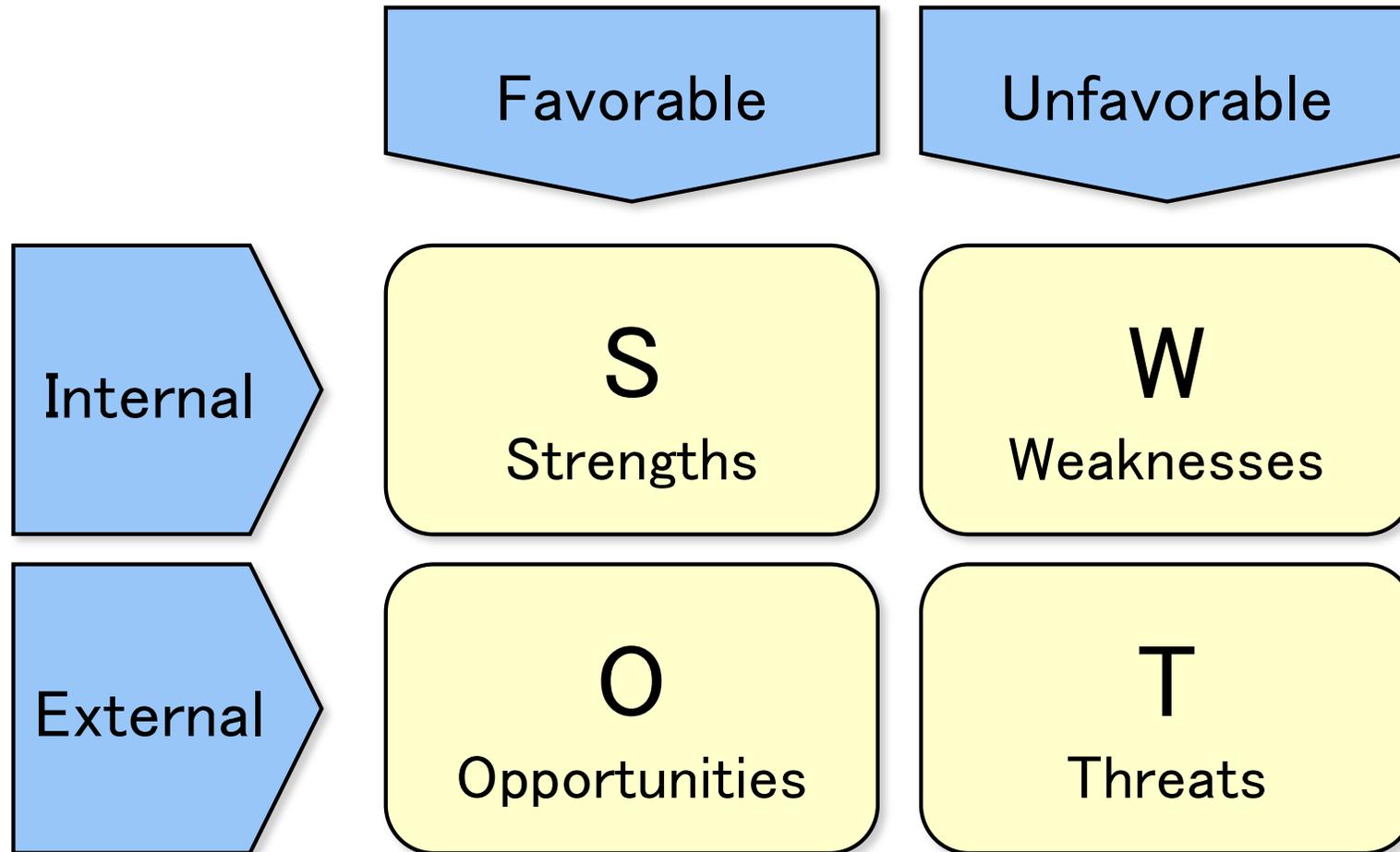
Pro: You can think systematically/fast/efficiently



Con: Your thinking becomes “contained” into the framework

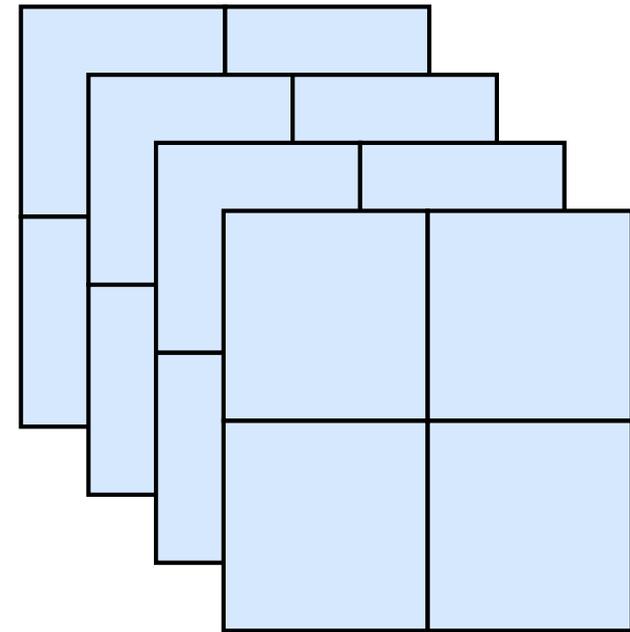
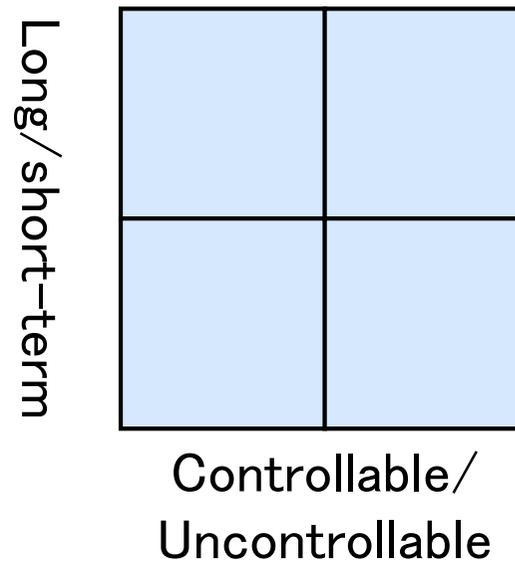
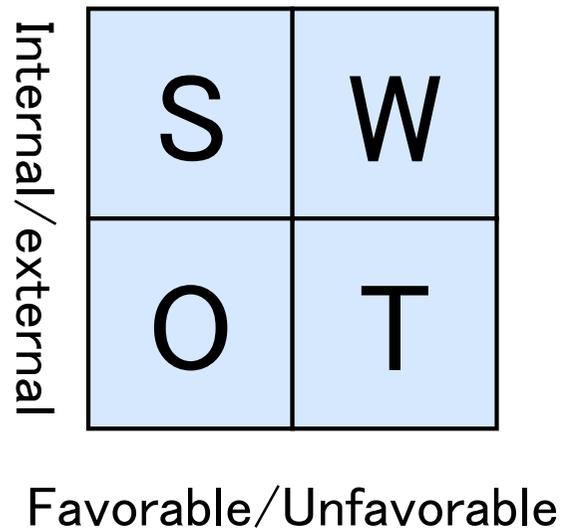
- Your framework prevents you from thinking “outside the box”

A TYPE OF FRAMEWORK (1): “DIMENSIONS”



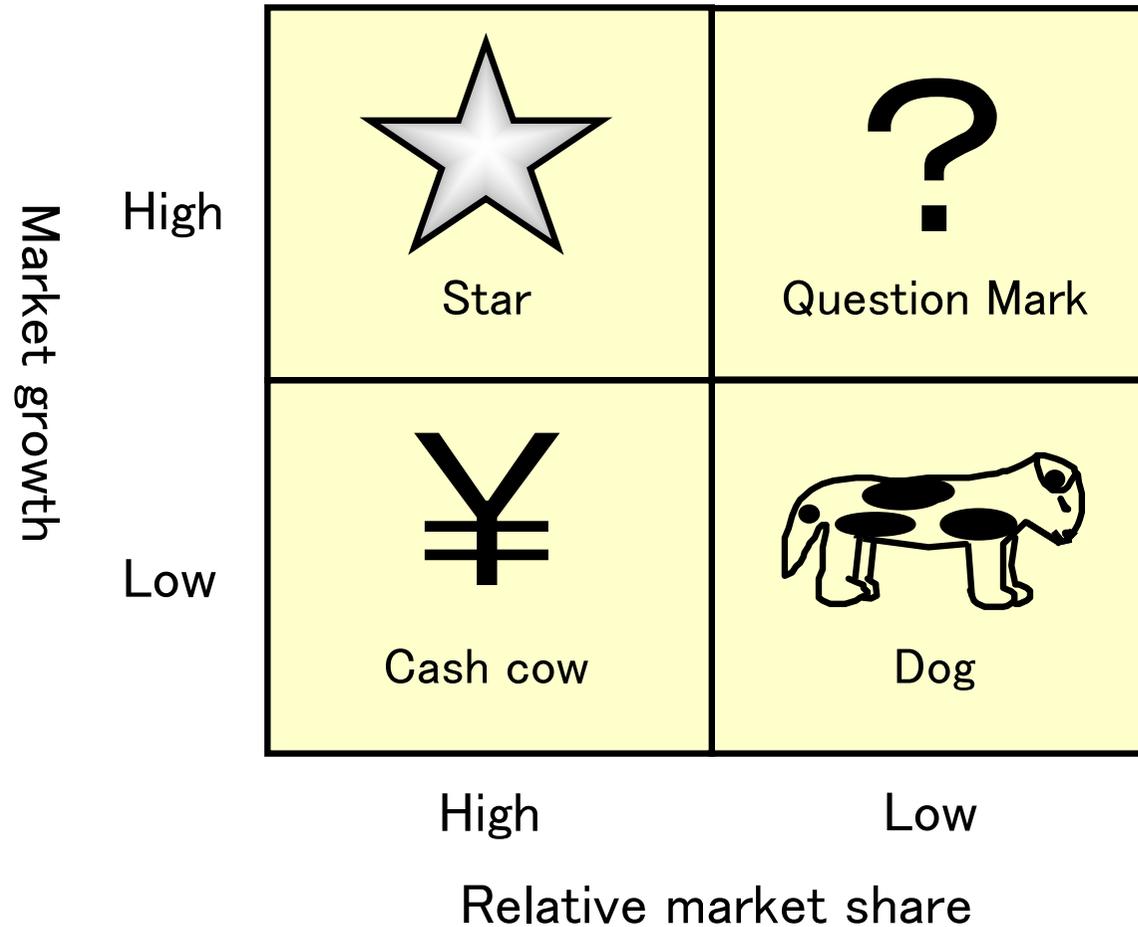
Proposed by: Harvard Business School/Kenneth Andrews, et al. (circa 1960)

SWOT: DOES IT WORK?



You should choose/develop your own dimensions

“DIMENSION” TYPE OF FRAMEWORK (1): BCG’s Growth–Share Matrix

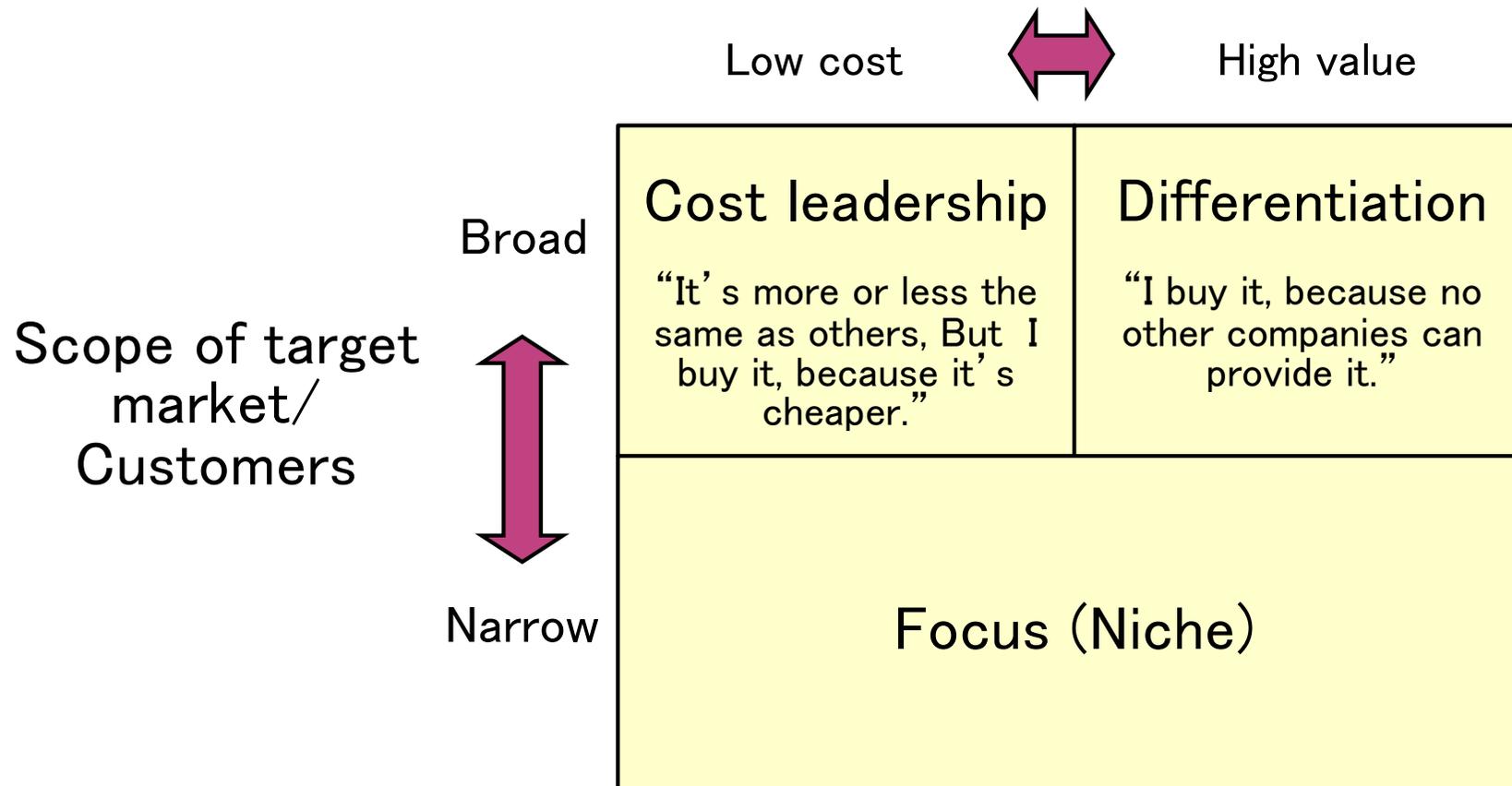


Proposed by: Boston Consulting Group

“DIMENSION” TYPE OF FRAMEWORK (2):

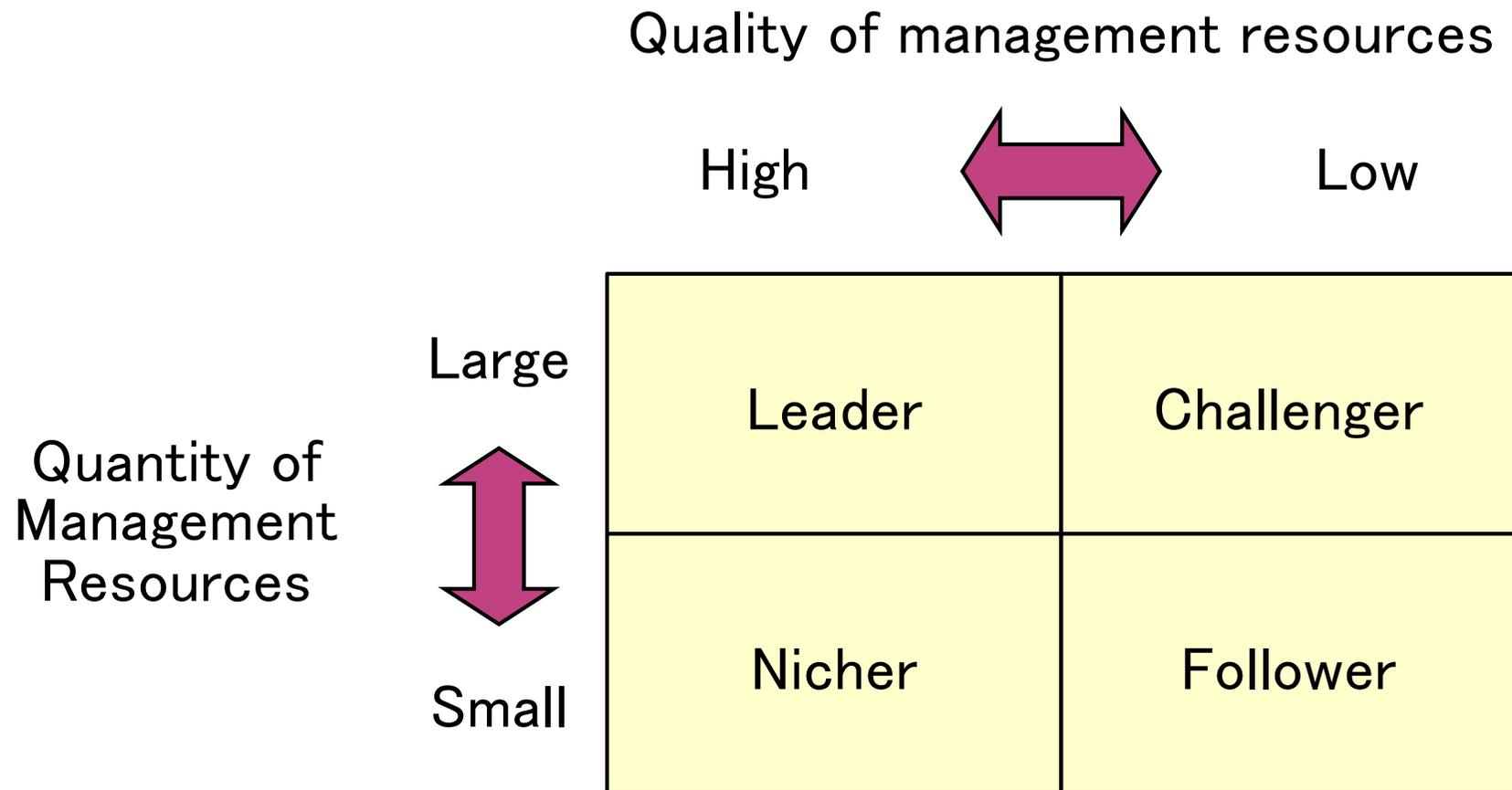
Michael Porter’s “Generic Strategy”

Source(s) of competitive advantage



Proposed by: Michael E. Porter

“DIMENSION” TYPE OF FRAMEWORK (3): Philip Kotler’s “Competitive Position Strategy”



Proposed by: Philip Kotler

ANOTHER TYPE OF FRAMEWORK: “MECE LIST”

3C

4P

5F

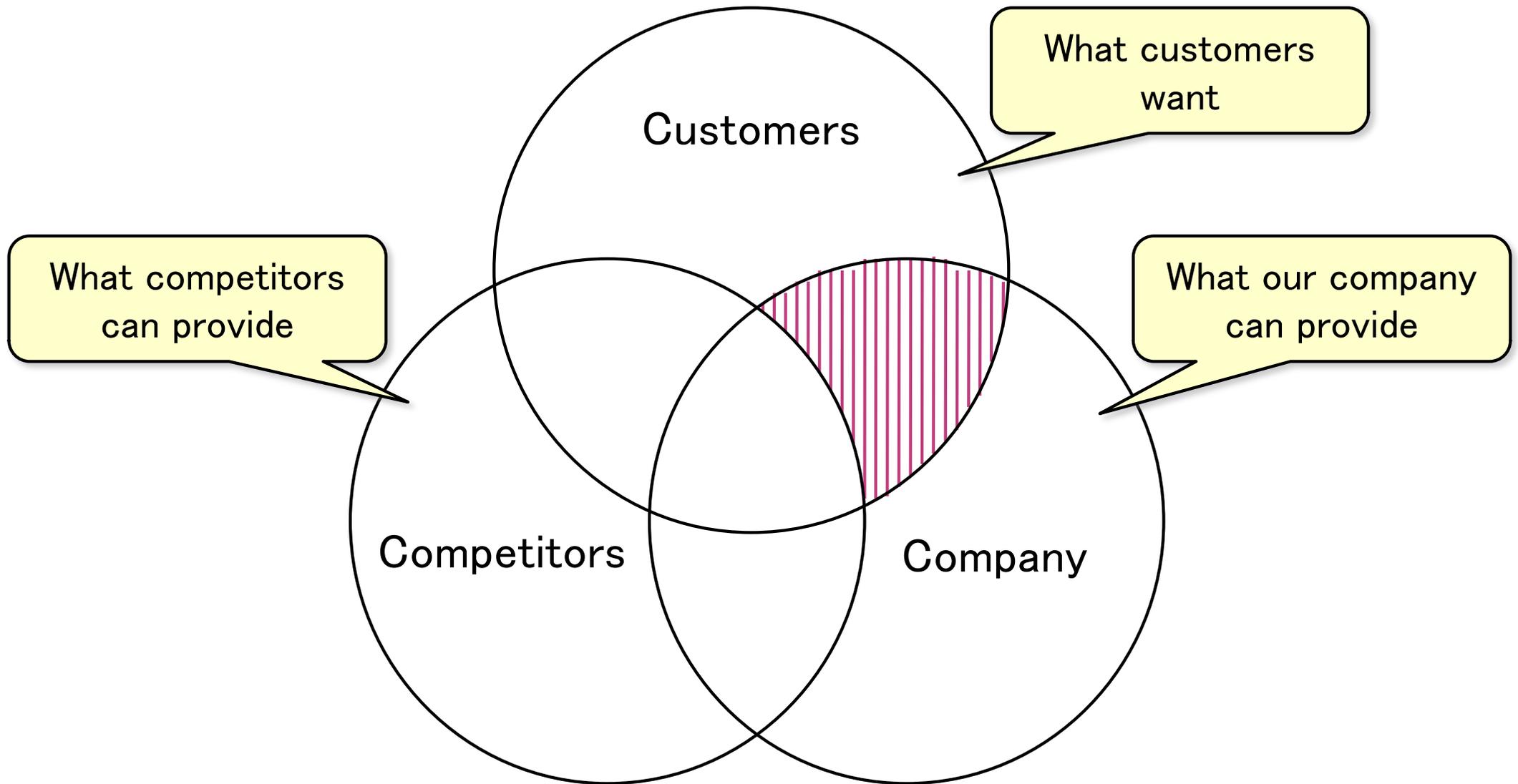
7S

PEST

⋮

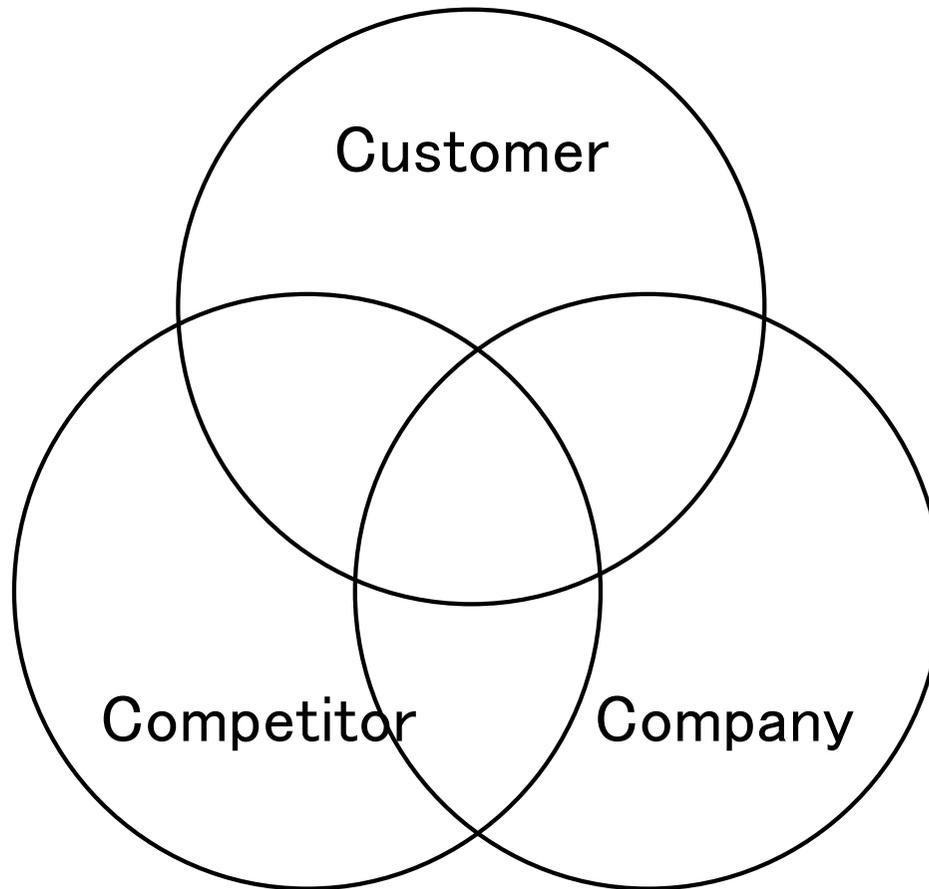
MECE
(Mutually Exclusive
and Collectively
Exhaustive)

“MECE” TYPE OF FRAMEWORK (1): “3Cs”

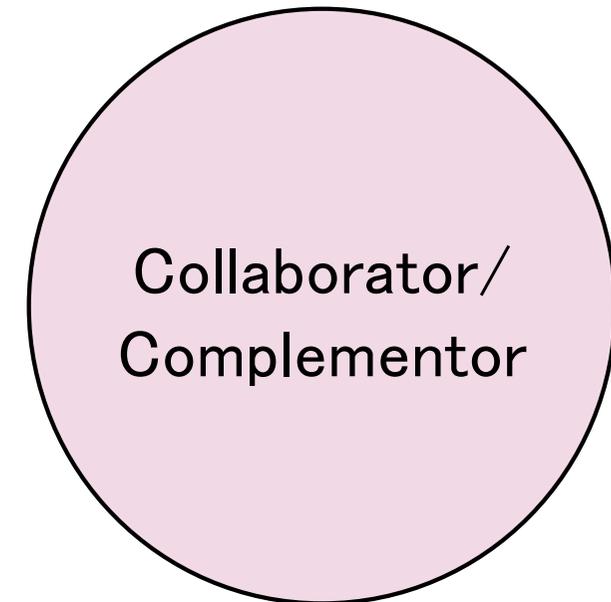


Proposed by: Kenichi Ohmae (circa 1970)

“MECE” TYPE OF FRAMEWORK (1): “3Cs”

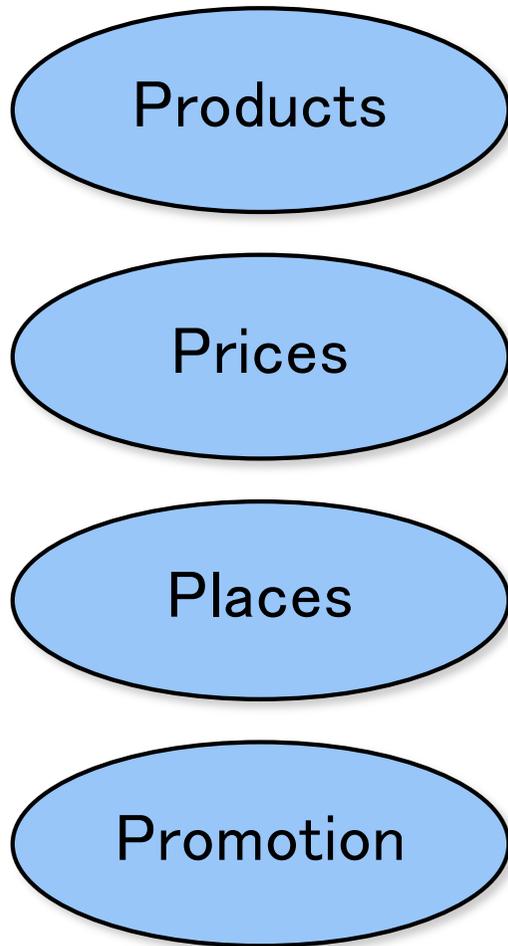


Anything
missing?

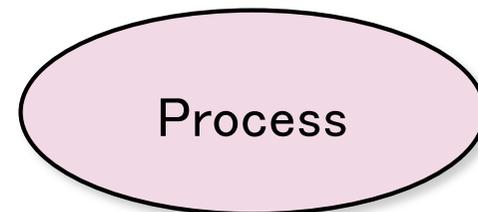
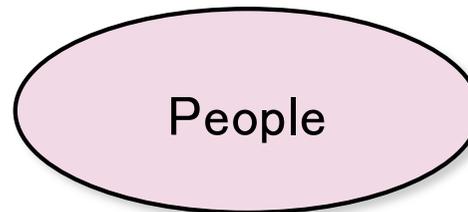


Proposed by: Kenichi Ohmae (circa 1970)

“MECE” TYPE OF FRAMEWORK (2): “4Ps”

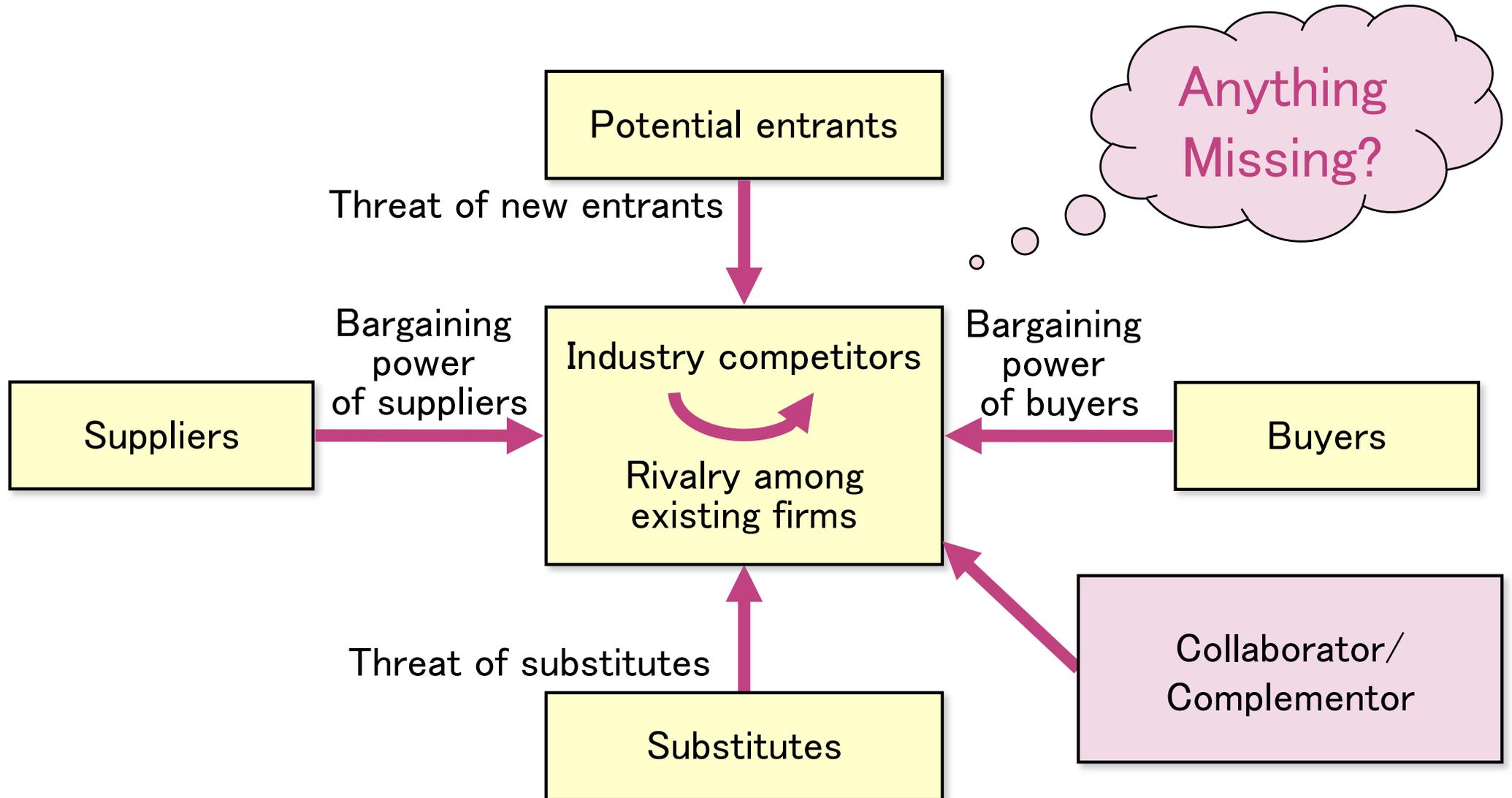


Anything missing?



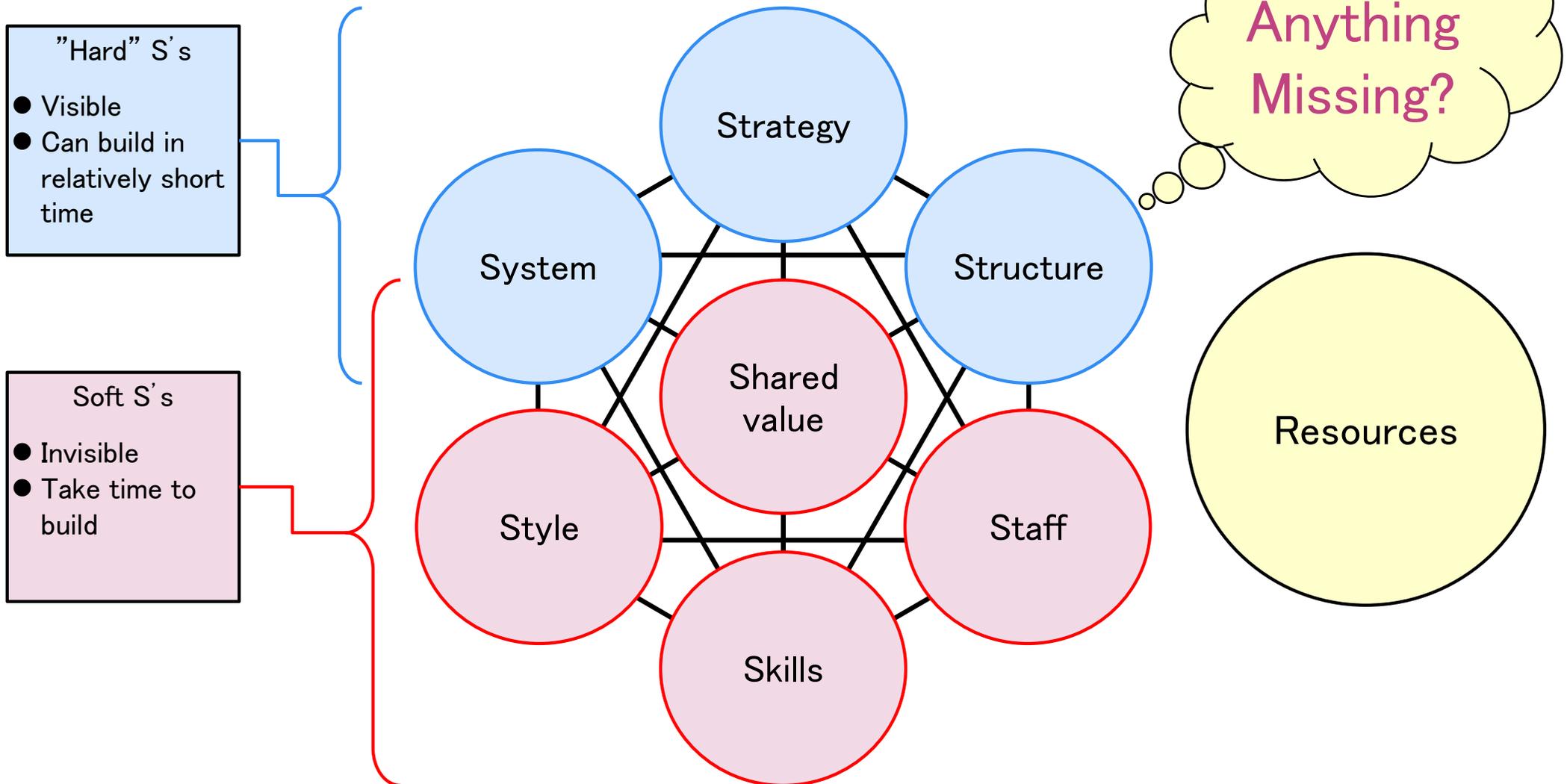
Proposed by: Jerome McCarthy (1961)

“MECE” TYPE OF FRAMEWORK (3): Michael Porter’s “Five Forces”



Source: “Competitive Strategy” Michael E. Porter

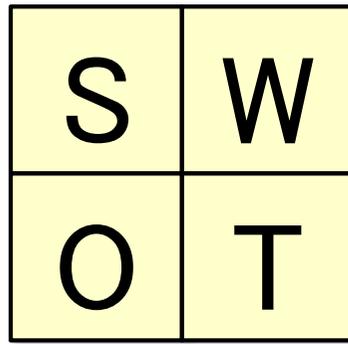
“MECE” TYPE OF FRAMEWORK (4): McKinsey’s “7Ss”



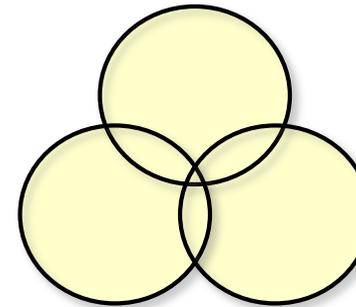
Source: “In Search of Excellence” (1982) Tom Peters, Robert H. Waterman Jr.

NEVER, NEVER MECHANICALLY USE FANCY TOOLS/FRAMEWORKS/FORMULAS

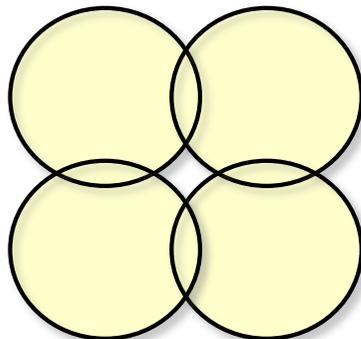
SWOT



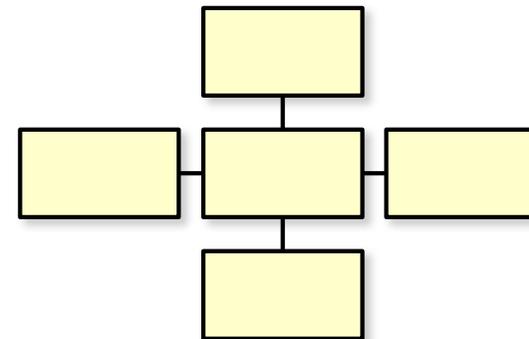
3 Cs



Marketing 4 Ps



Five forces



AGENDA

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Your feedback and my response

Problem solving (cont.): Structuring issues

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Quantification (if we have time)

THANK YOU

SEE YOU ON WEDNESDAY