



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

42E01200:

CEMS Special Topics in Global Management, Lecture

# Consultancy

## Session 04

- Guest speaker: Bayer
- Problem solving (cont.)
- Project management

*Hiroshi KANNO, Visiting Professor*

*Dina MYLLYMÄKI, Teaching assistant*

*January 22, 2024*

# COURSE SCHEDULE

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

# AGENDA

Guest speaker: Arto Pakkalin, Bayer

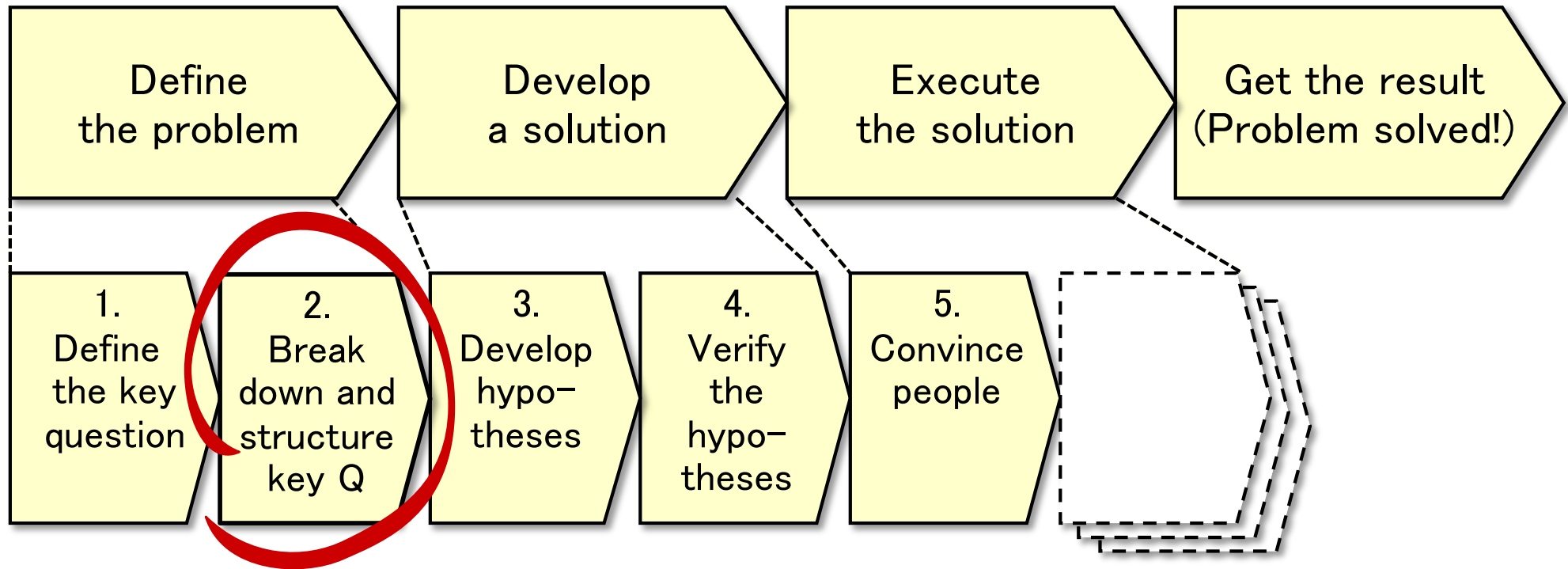
Frameworks: pros and cons

Quantification (if we have time)

Developing and verifying hypotheses

Project management (if we have time)

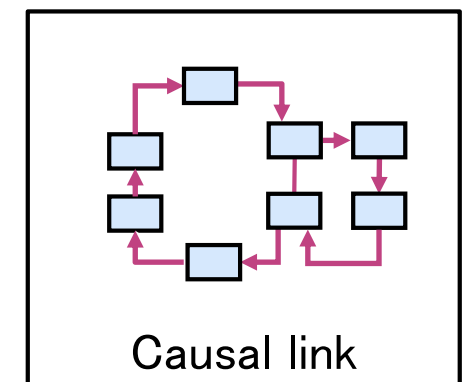
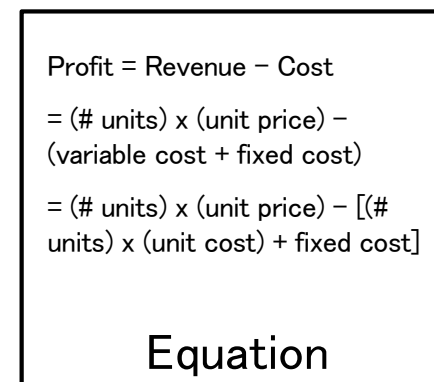
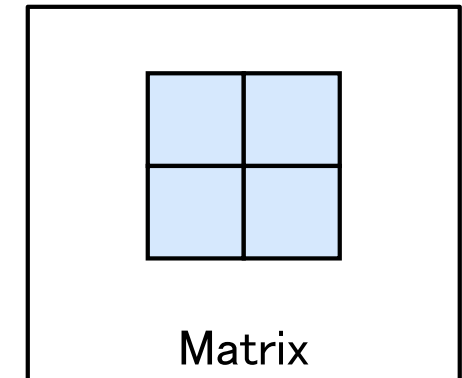
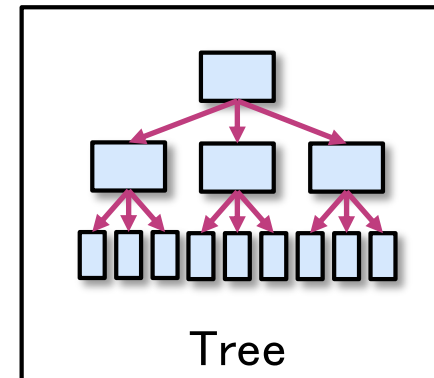
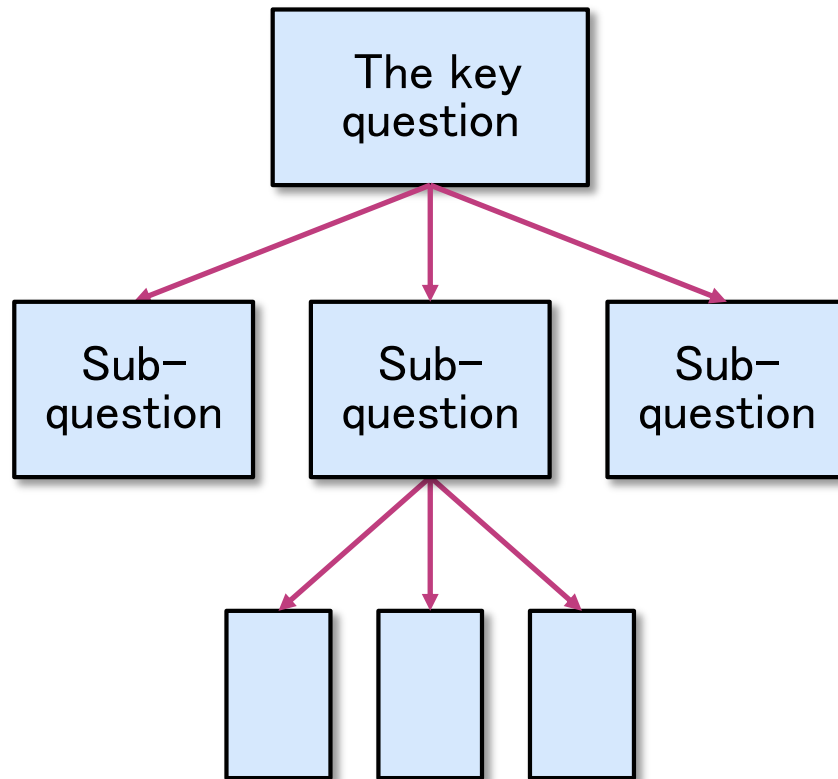
# CONSULTING: A TYPICAL PROCESS



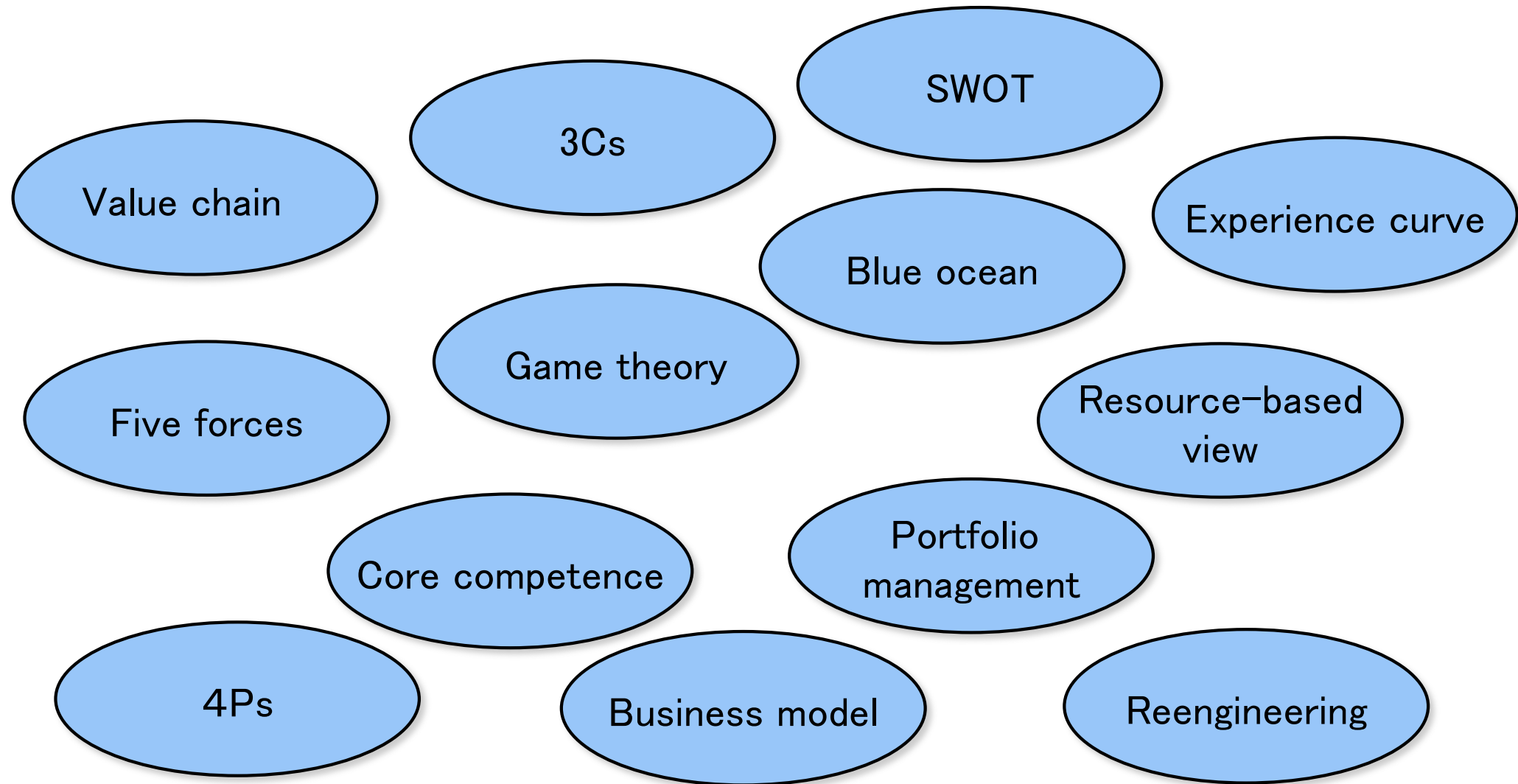


# BREAK DOWN THE KEY QUESTION AND STRUCTURE THE ISSUES

How? (framework)



# SO MANY “FRAMEWORKS” OF STRATEGY...



# PROS/CONS OF FRAMEWORKS/TOOLS



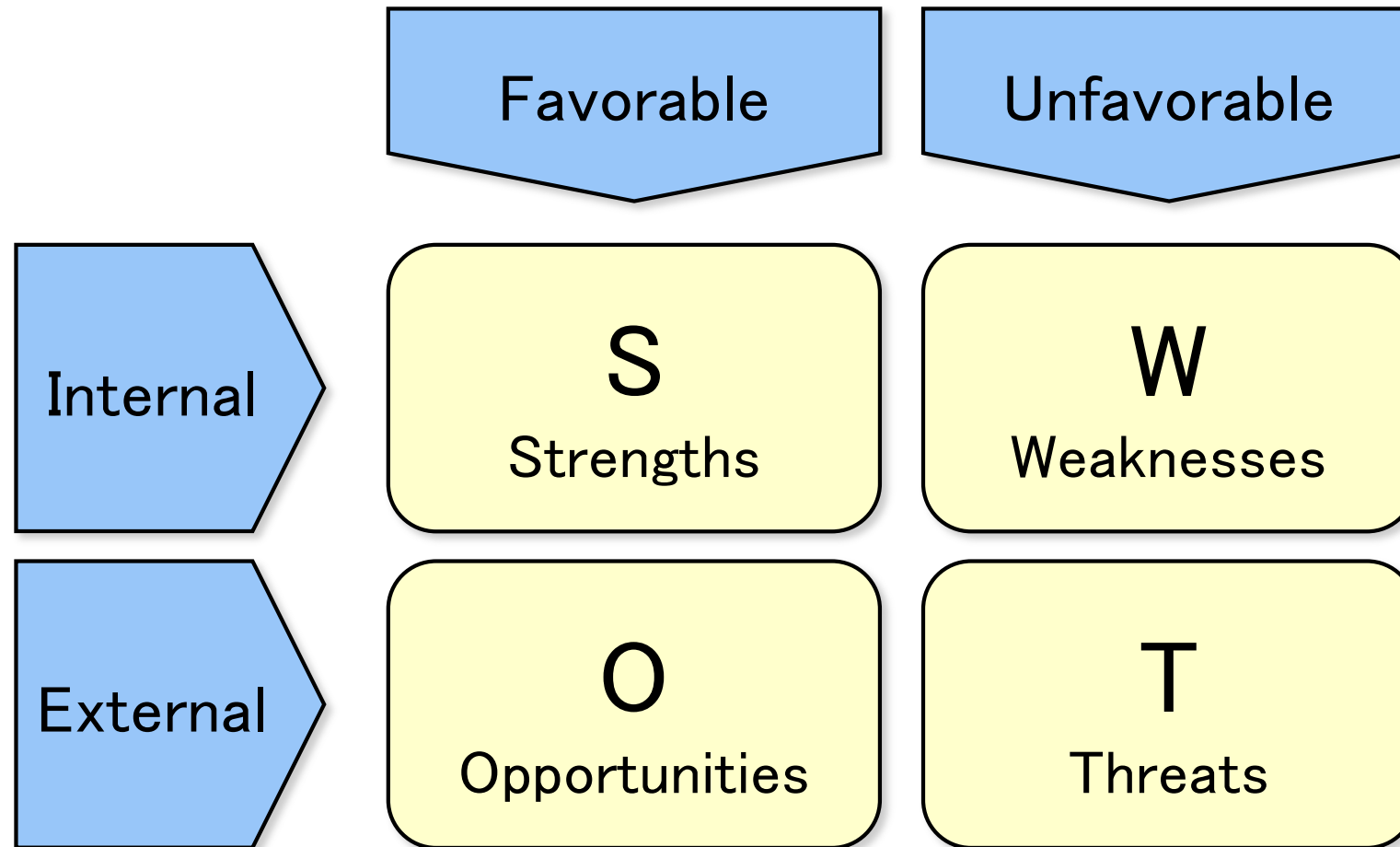
Pro: You can think systematically/fast/efficiently



Con: Your thinking becomes “contained” into the framework

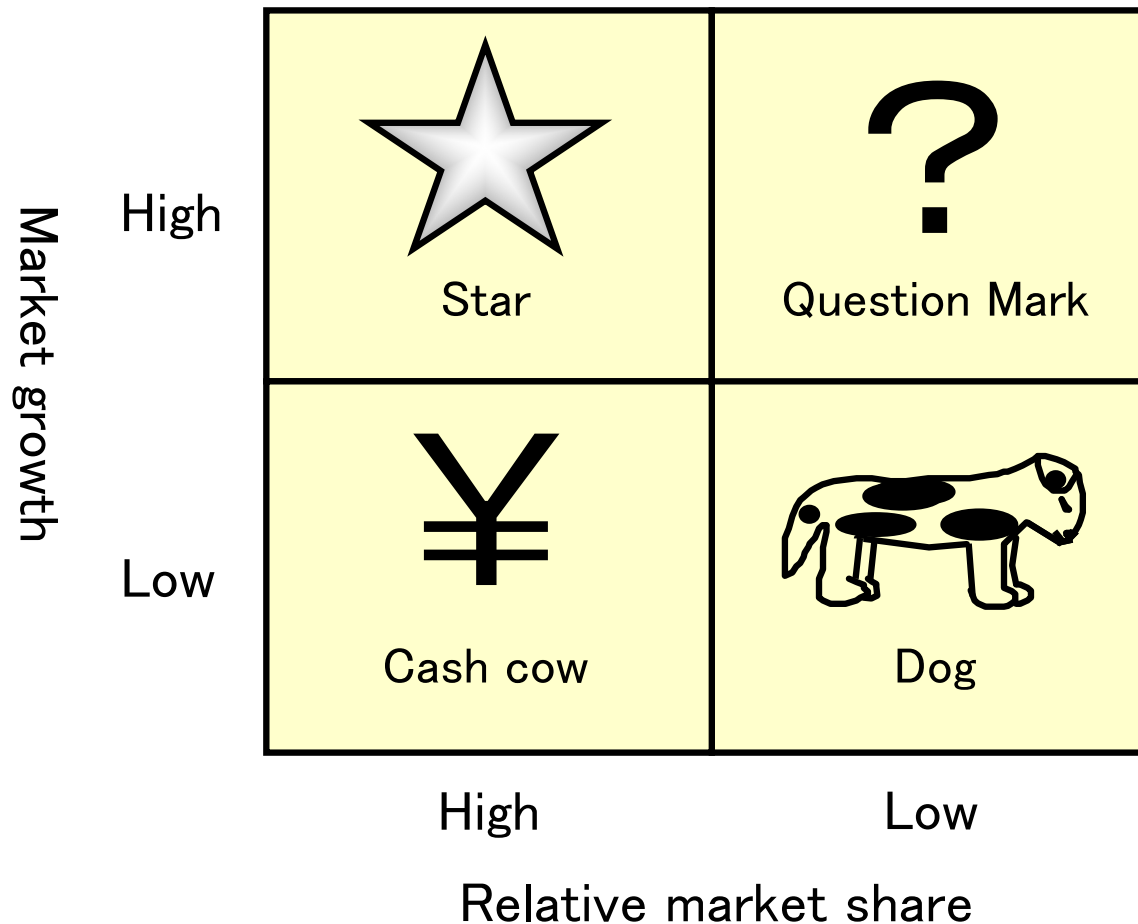
- Your framework prevents you from thinking “outside the box”

# A TYPE OF FRAMEWORK (1): “DIMENSIONS”



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

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



Proposed by: Boston Consulting Group

# “DIMENSION” TYPE OF FRAMEWORK (2):

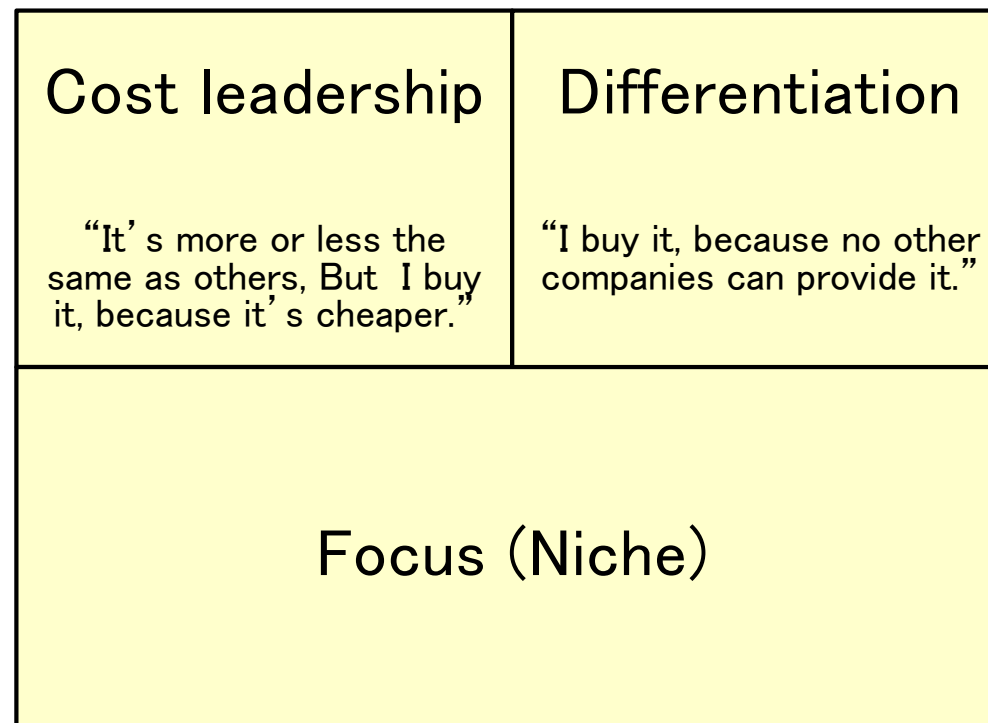
## Michael Porter’s “Generic Strategy”

Source(s) of competitive advantage

Low cost ↔ High value

Scope of target  
market/  
Customers

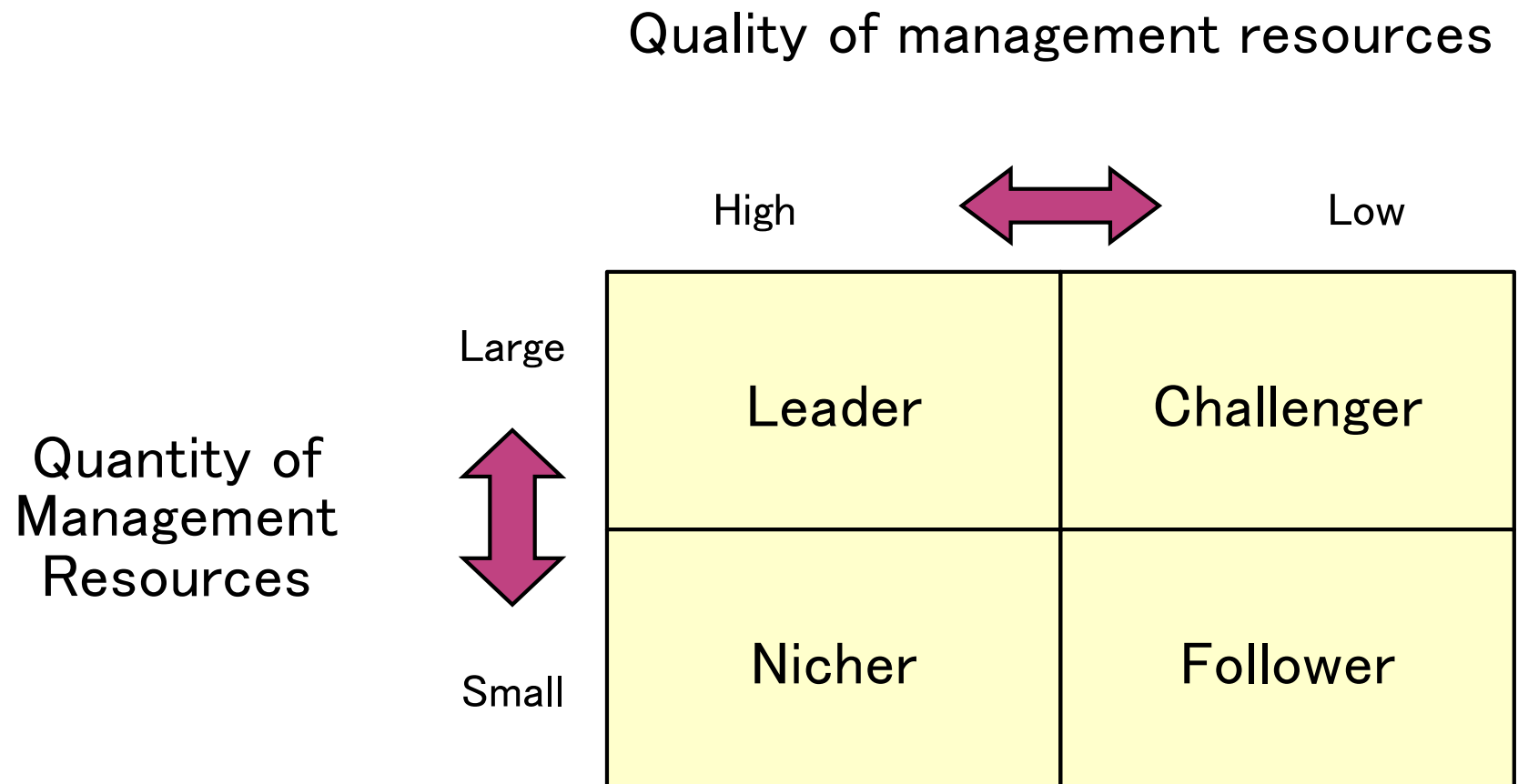
Broad  
↕  
Narrow



Proposed by: Michael E. Porter

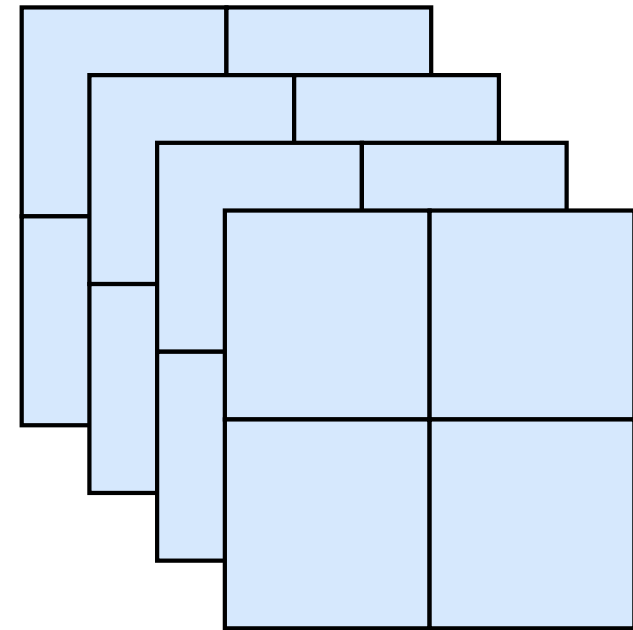
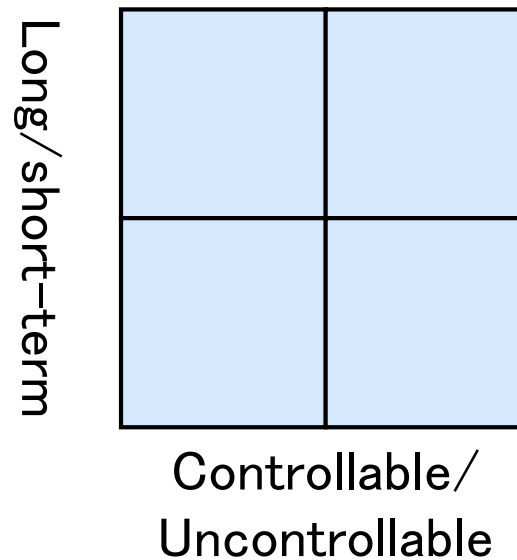
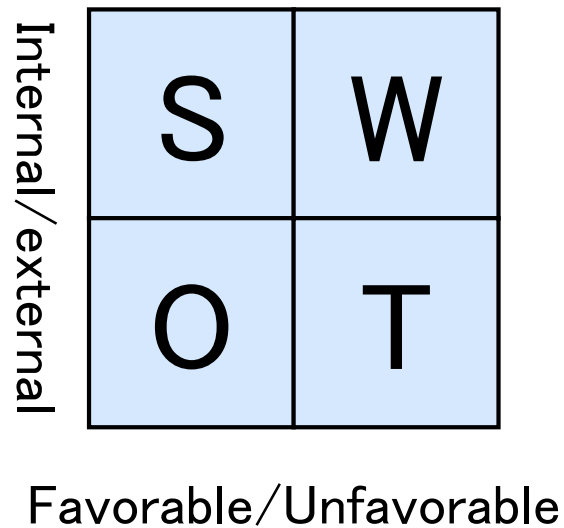
# “DIMENSION” TYPE OF FRAMEWORK (3):

## Philip Kotler’s “Competitive Position Strategy”



Proposed by: Philip Kotler

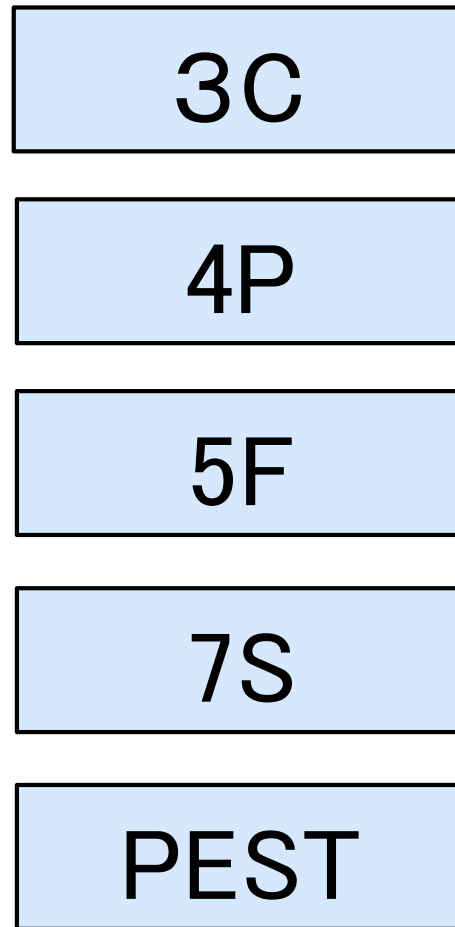
# SWOT: DOES IT WORK?



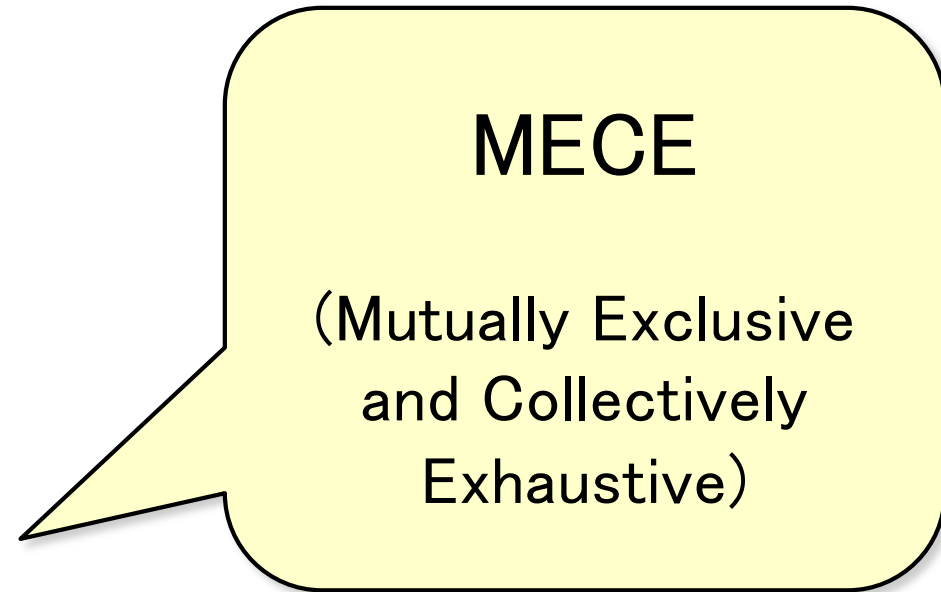
You should choose/develop your own dimensions



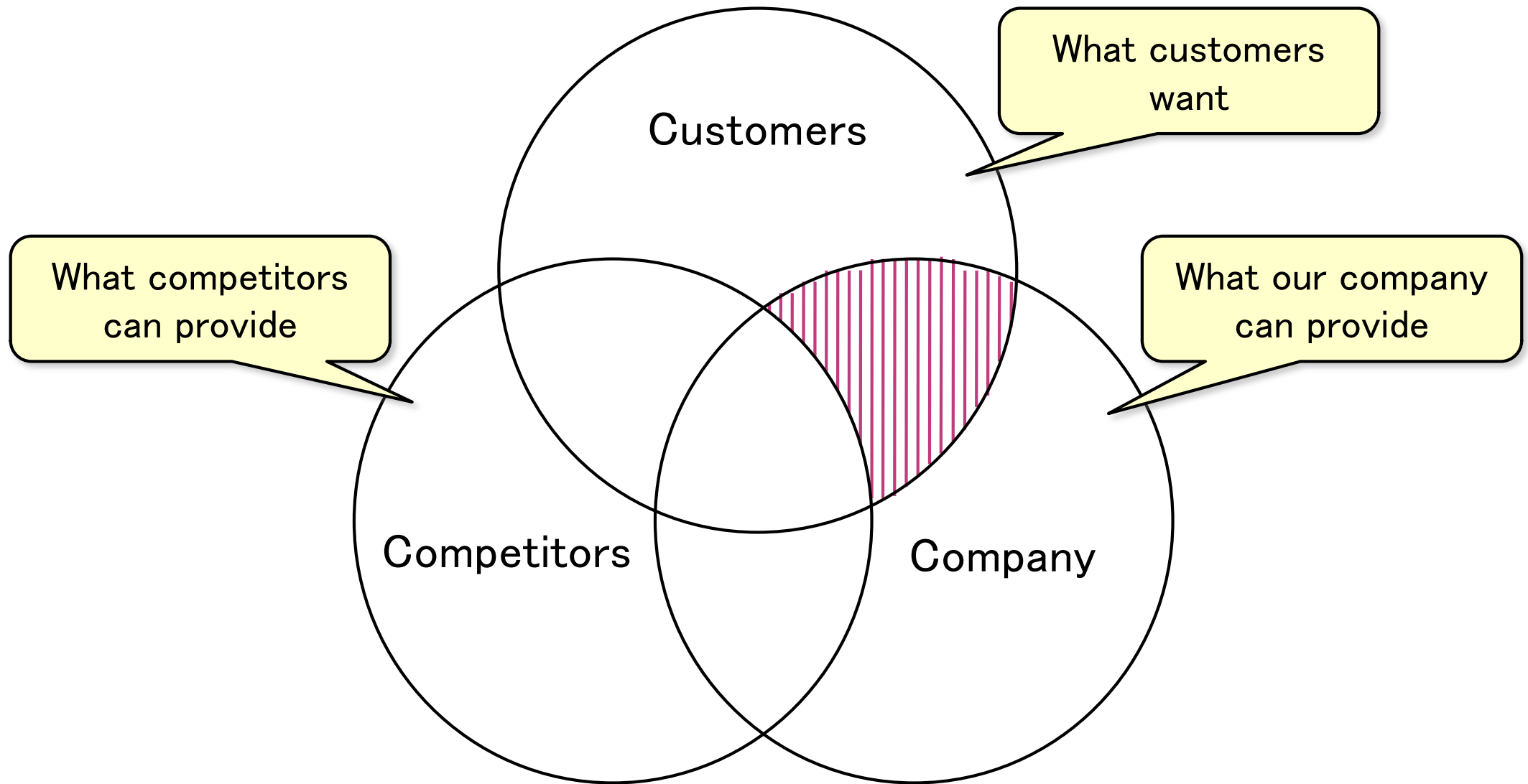
# ANOTHER TYPE OF FRAMEWORK: “MECE LIST”



⋮

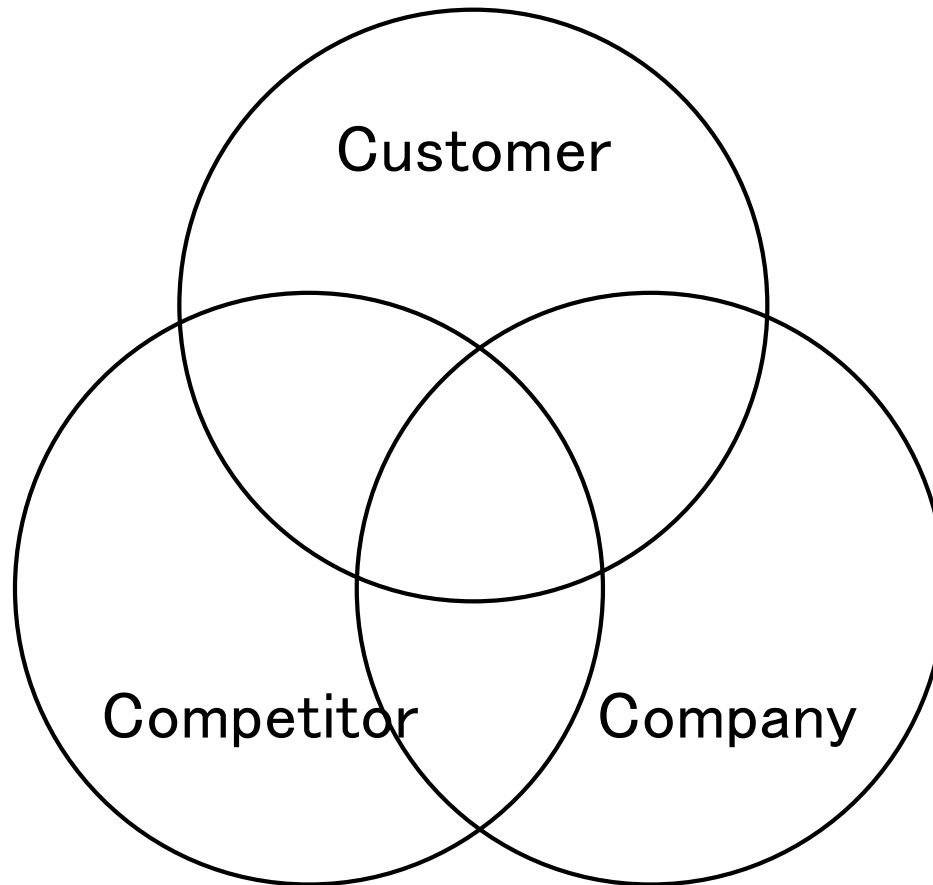


# “MECE” TYPE OF FRAMEWORK (1): “3Cs”

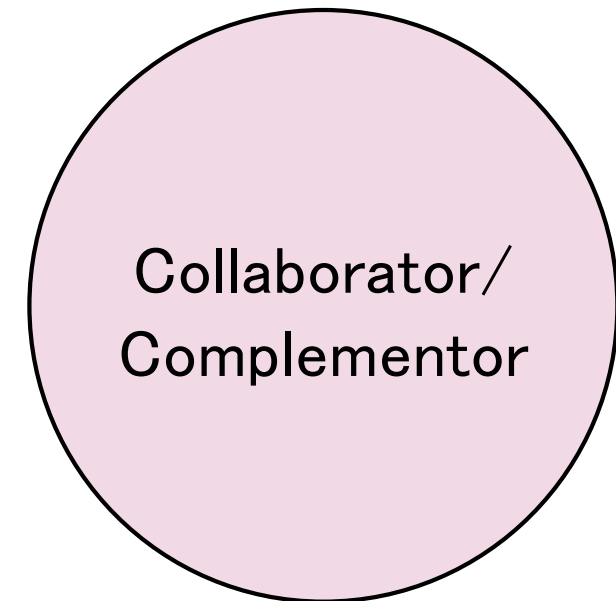


Proposed by: Kenichi Ohmae (circa 1970)

# “MECE” TYPE OF FRAMEWORK (1): “3Cs”

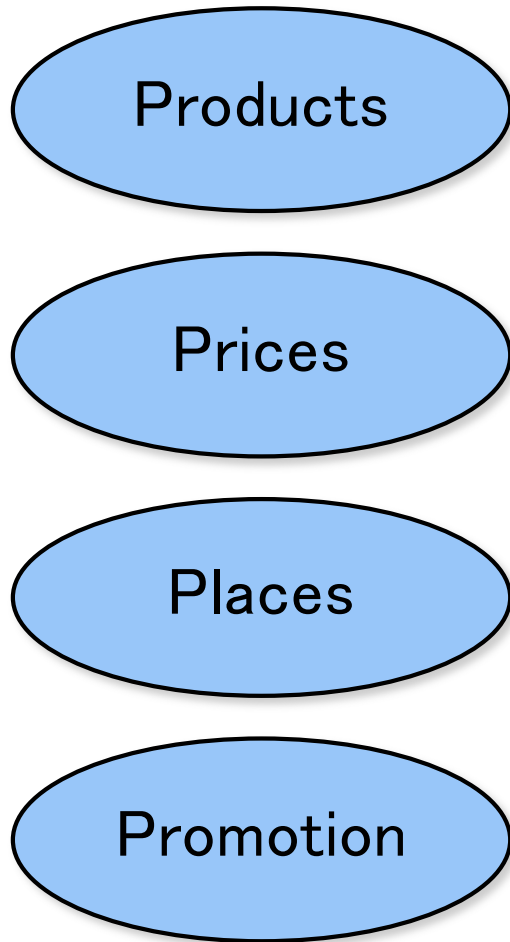


Anything  
missing?

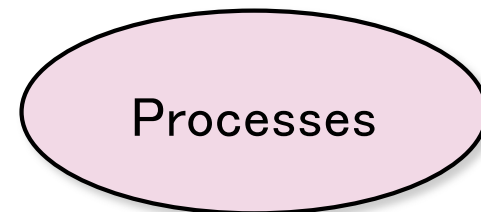
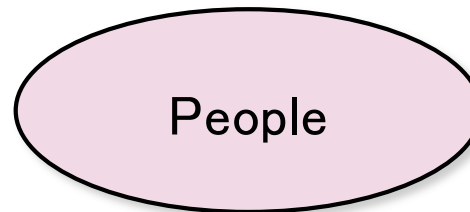


Proposed by: Kenichi Ohmae (circa 1970)

# “MECE” TYPE OF FRAMEWORK (2): “4Ps”

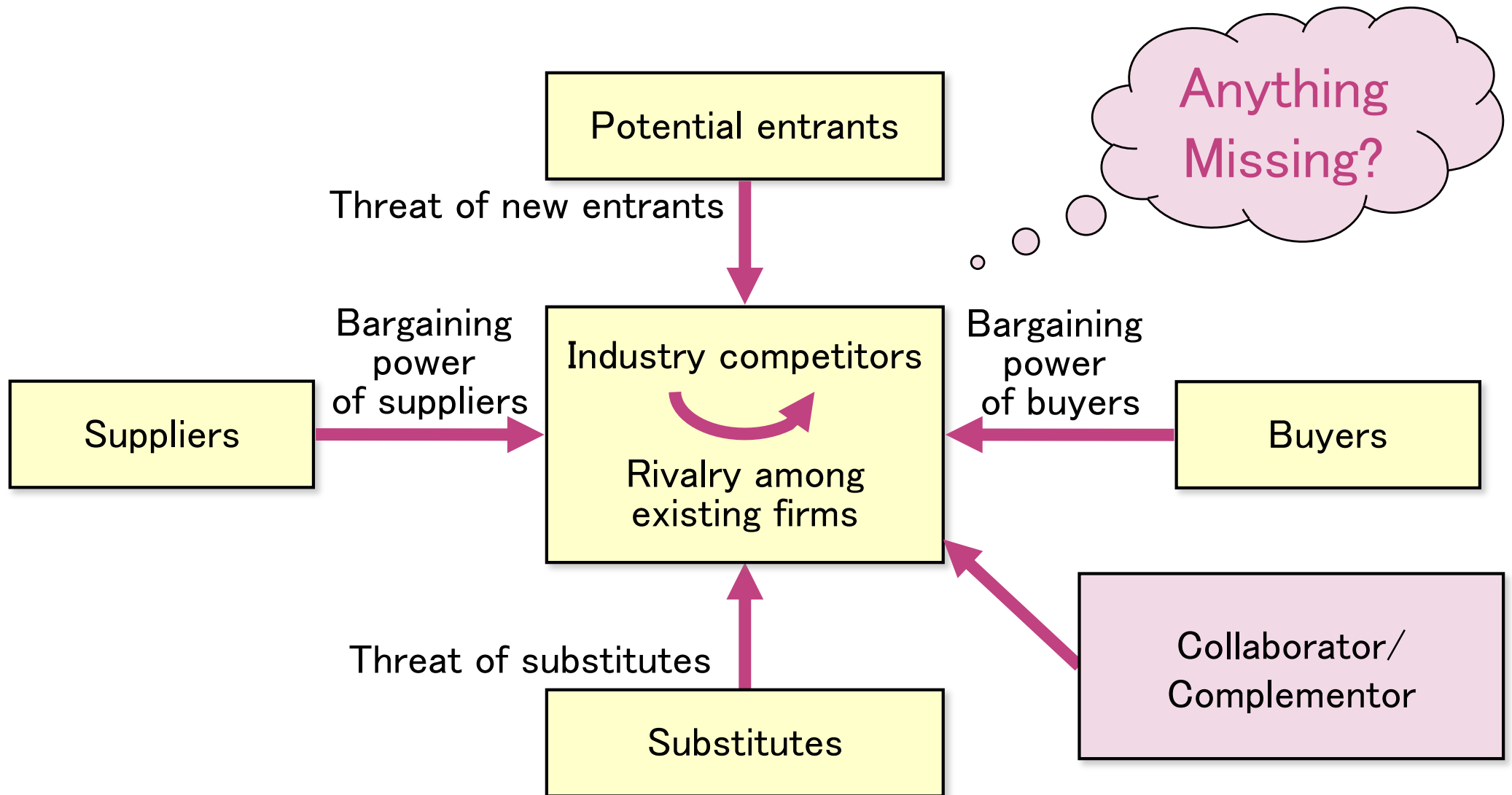


Anything missing?



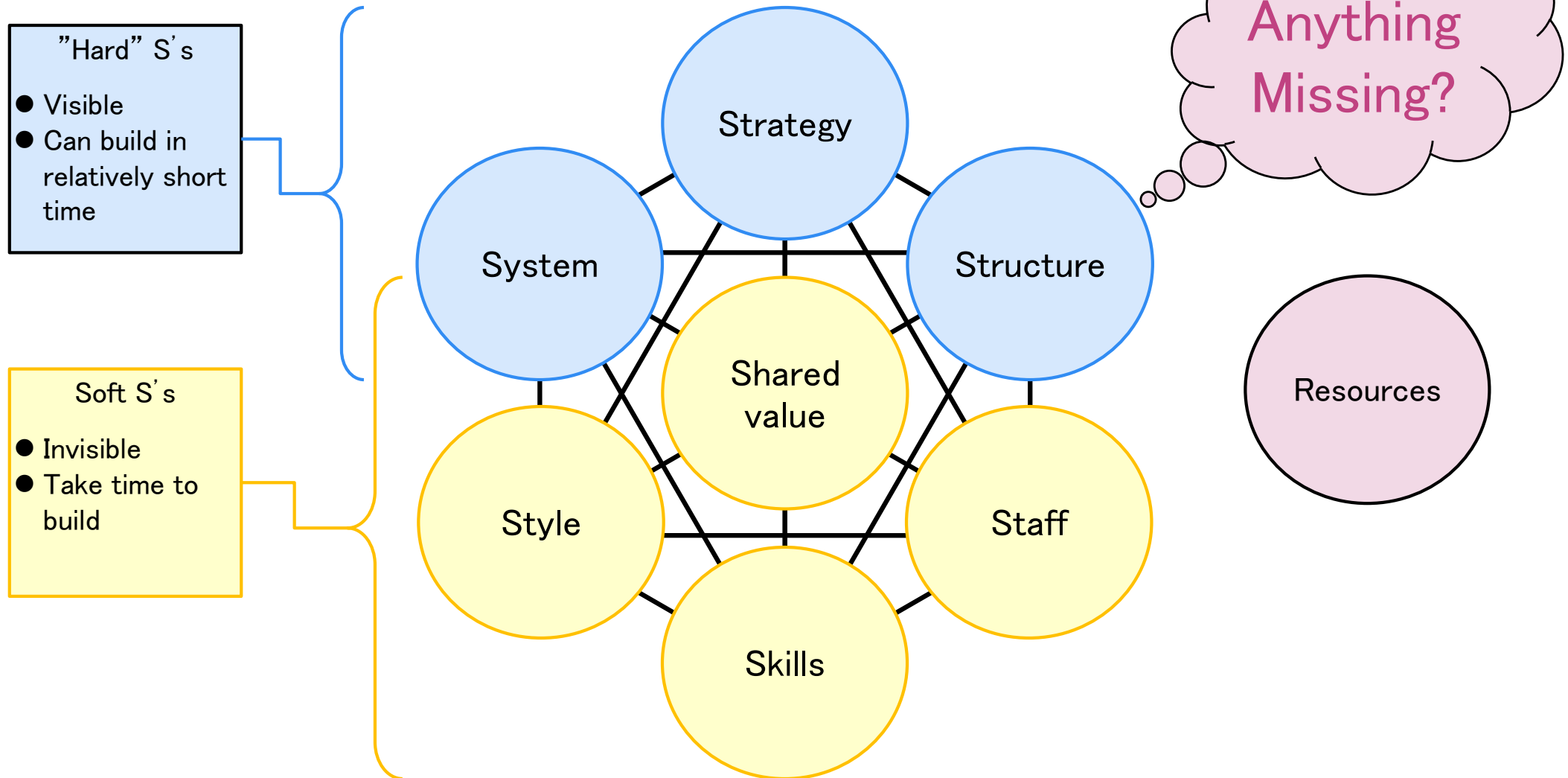
Proposed by: Jerome McCarthy (1961)

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



Source: “Competitive Strategy” Michael E. Porter (1980)

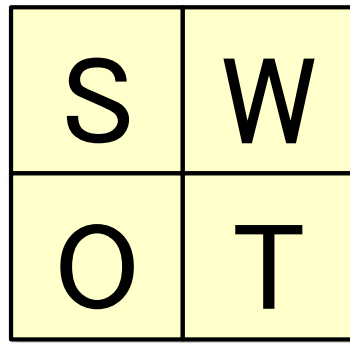
# “MECE” TYPE OF FRAMEWORK (4): McKinsey’s “7Ss”



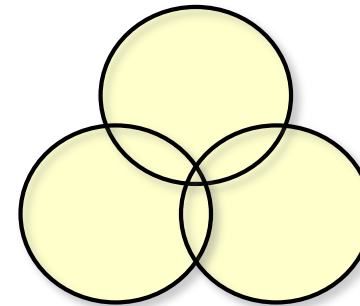
Source: “In Search of Excellence” (1982) Tom Peters, Robert H. Waterman Jr.

# NEVER, NEVER MECHANICALLY USE FANCY TOOLS/FRAMEWORKS/FORMULAS

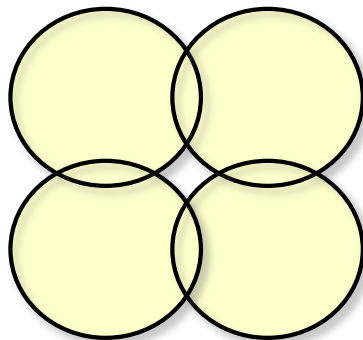
SWOT



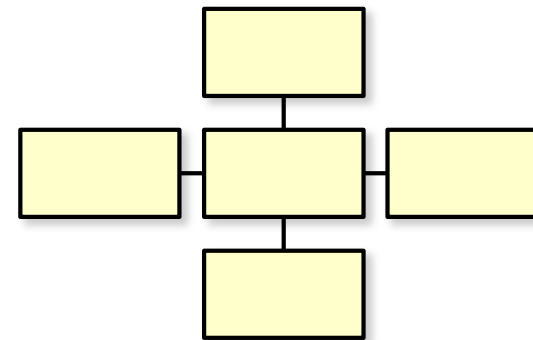
3 Cs



Marketing 4 Ps



Five forces



# AGENDA

Guest speaker: Arto Pakkalin, Bayer

Frameworks: pros and cons

Quantification (if we have time)

Developing and verifying hypotheses

Project management (if we have time)



# MINI-EXERCISE: COKE “HAPPY CAN”



# AGENDA

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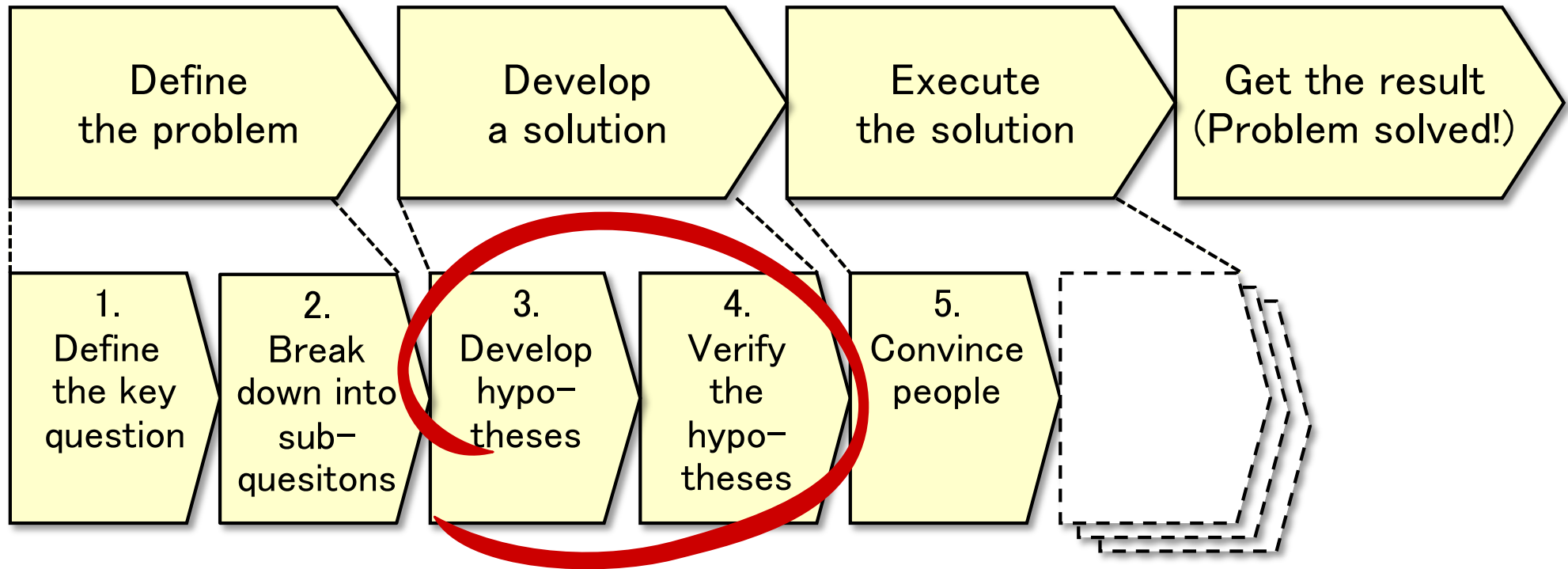
Frameworks: pros and cons

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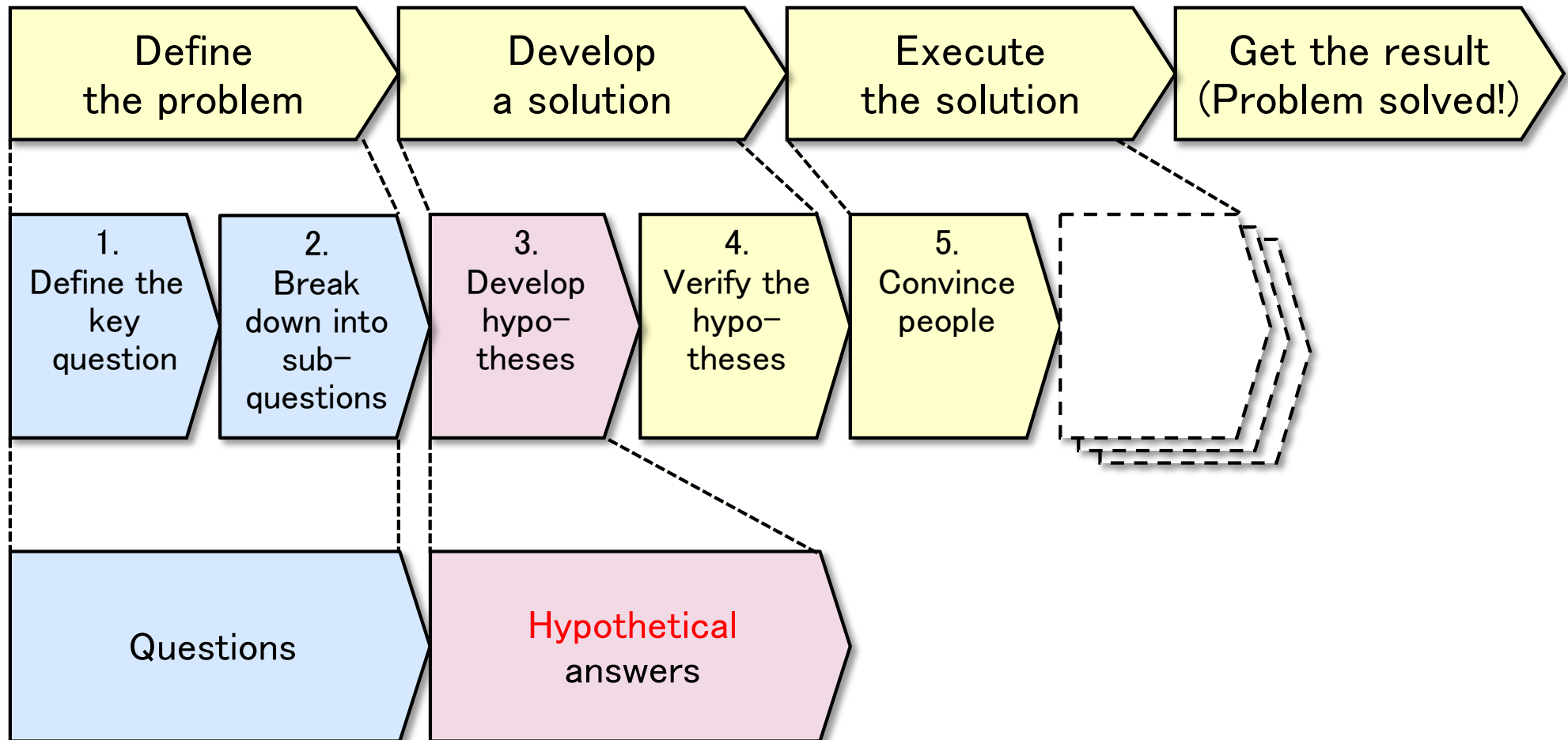
Developing and verifying hypotheses

Project management (if we have time)

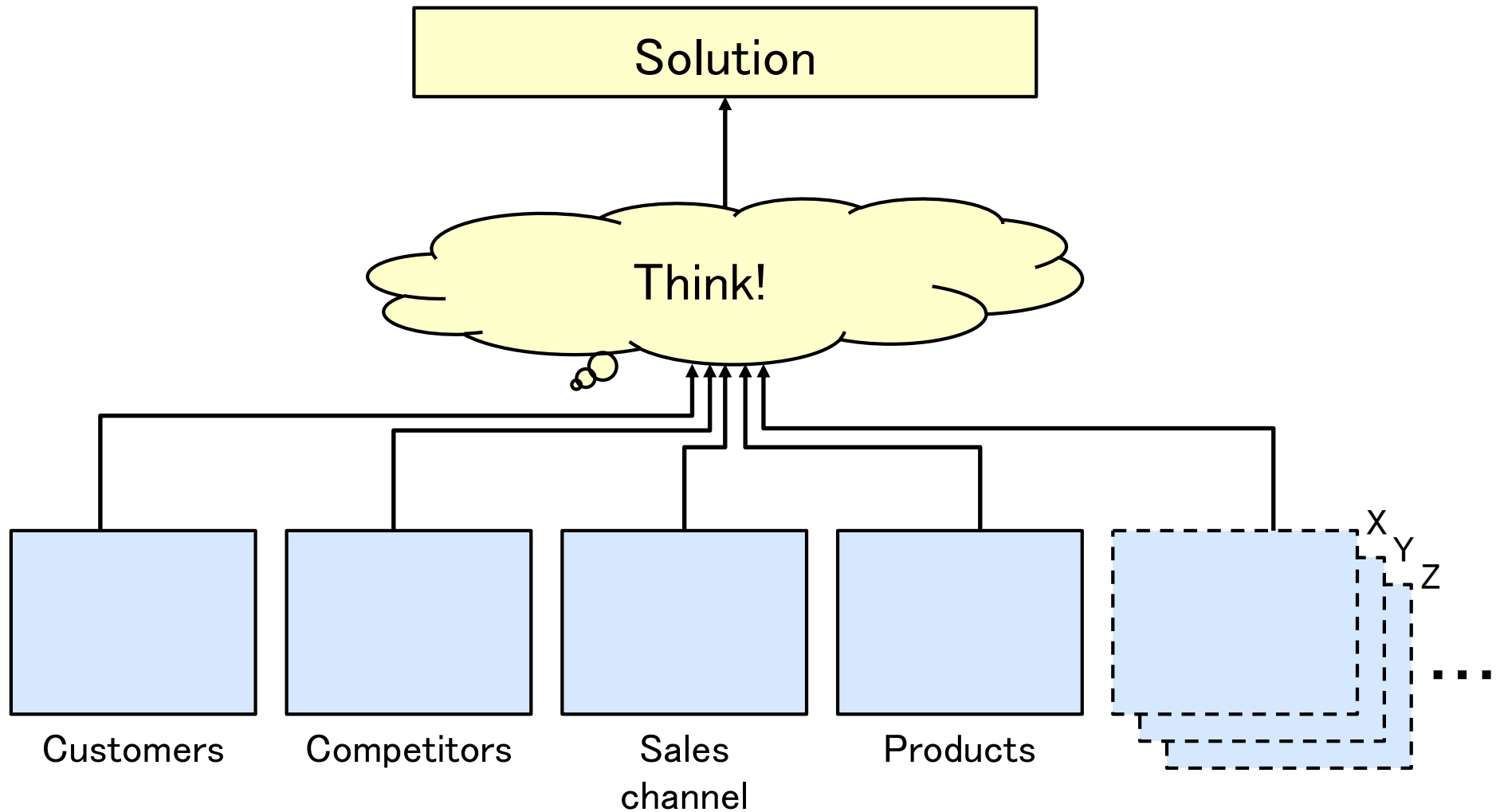
# CONSULTING: A TYPICAL PROCESS



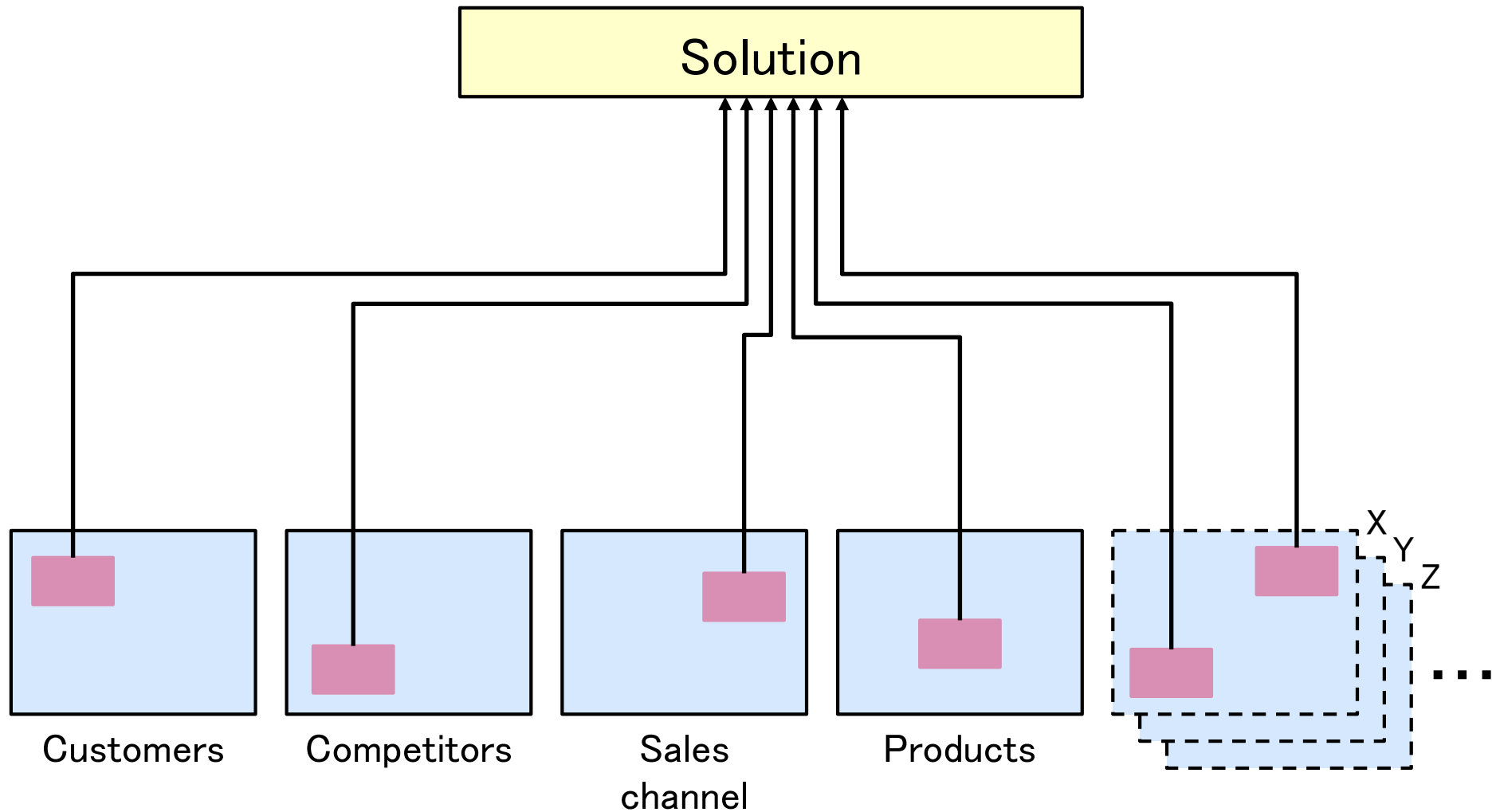
# TYPICAL CONSULTING PROCESS: BUILD YOUR **HYPOTHETICAL** ANSWER **UPFRONT**



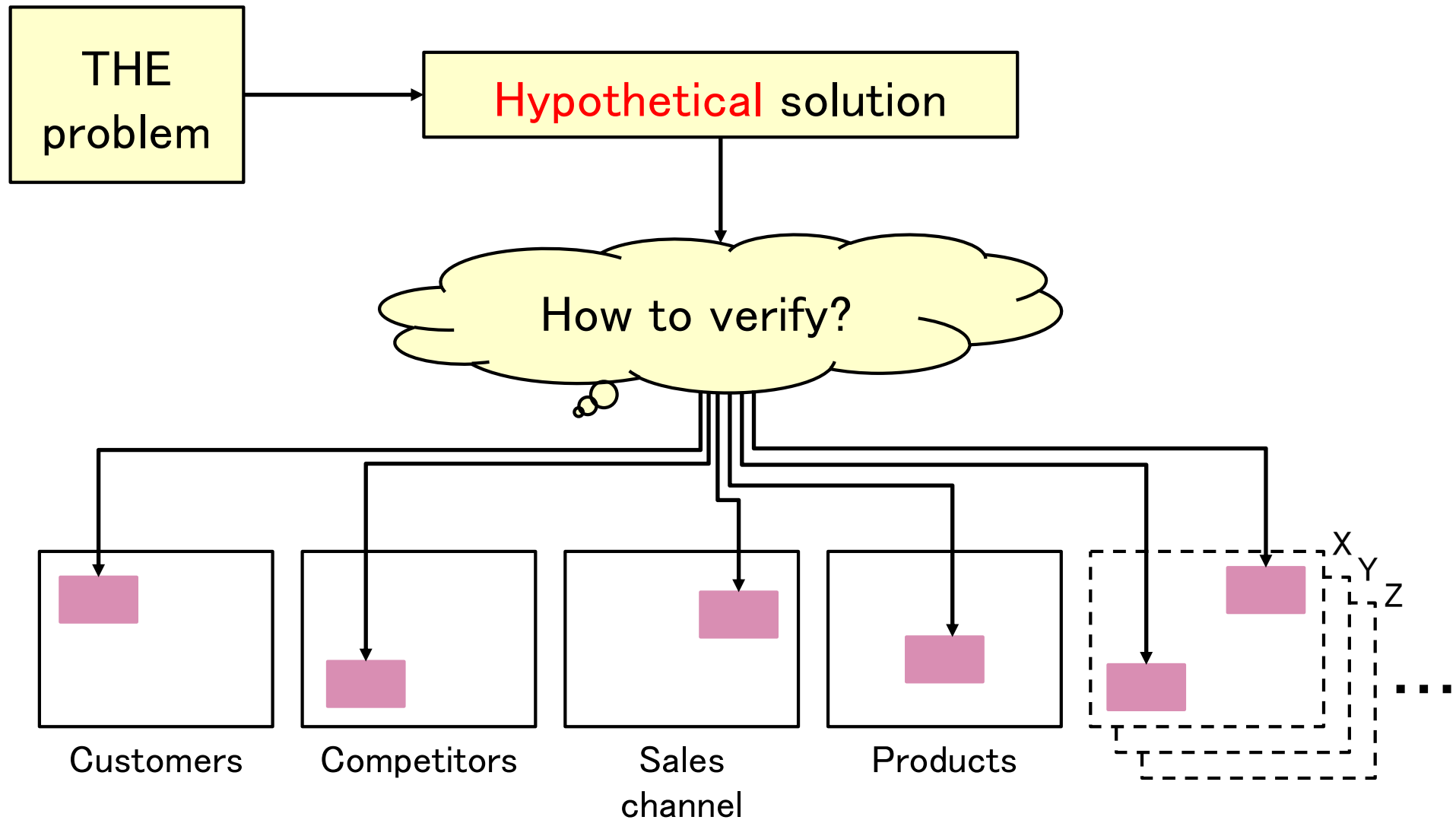
# BOTTOM-UP APPROACH DOES NOT WORK



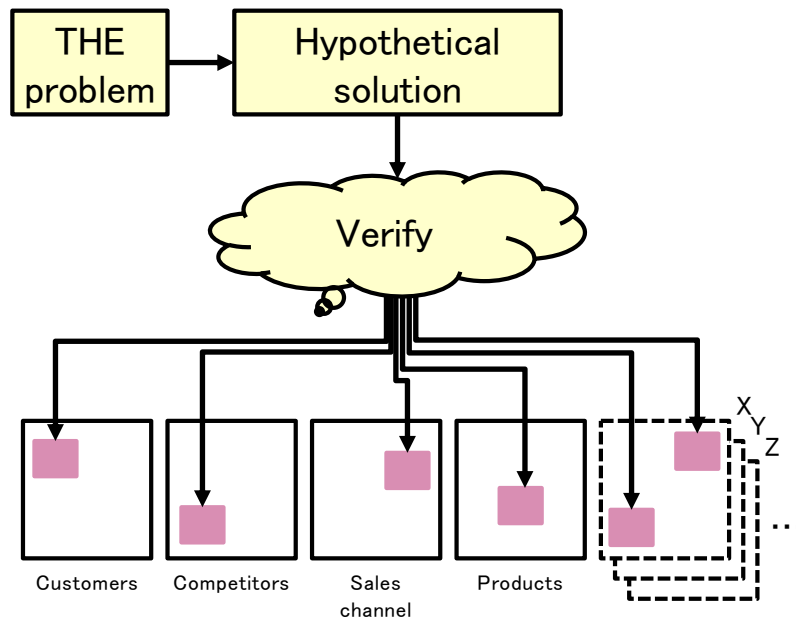
# BOTTOM-UP APPROACH WASTES YOUR TIME



# TOP DOWN: HYPOTESIS → VERIFICATION



# GENERATE AND STRUCTURE HYPOTHESES – THEN YOU CAN FOCUS



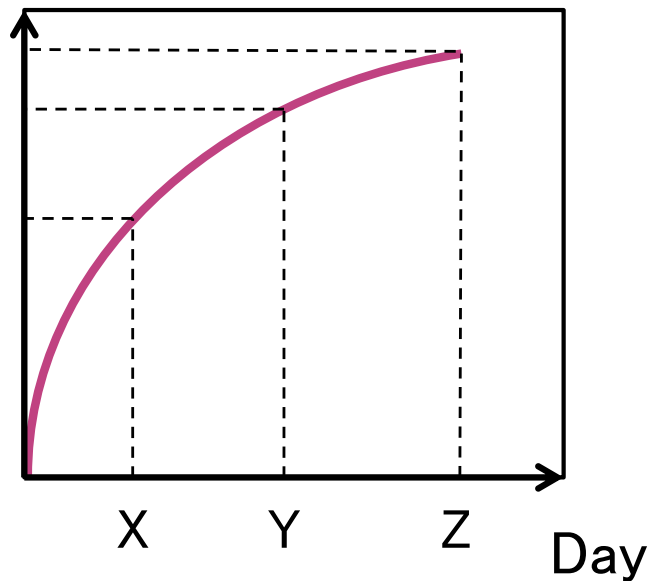
- Attempts to formulate the **possible result** of the project
- Hypotheses help to be **specific** and **focused**
  - Forces you to be explicit about what you expect to achieve
- Plan your work to the end-product
- Focus your work (=prioritize)



# IN A REAL WORLD, YOU DO NOT HAVE SUFFICIENT TIME TO DEVELOP A PERFECT SOLUTION

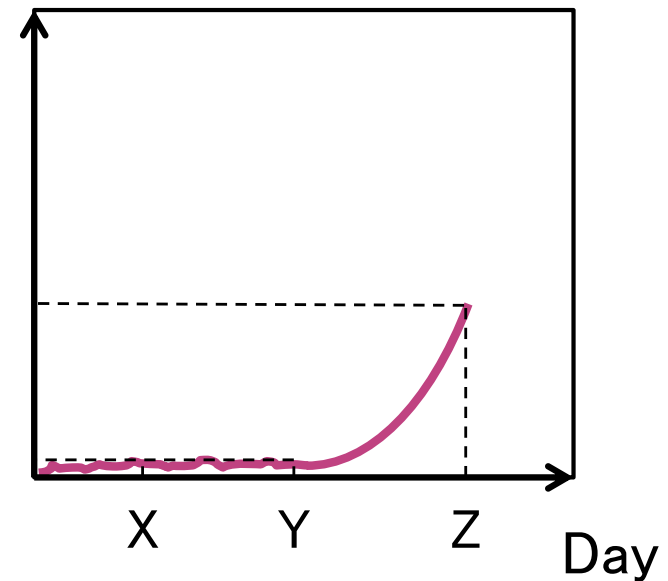
## Hypothesis-driven approach

Quality of solution

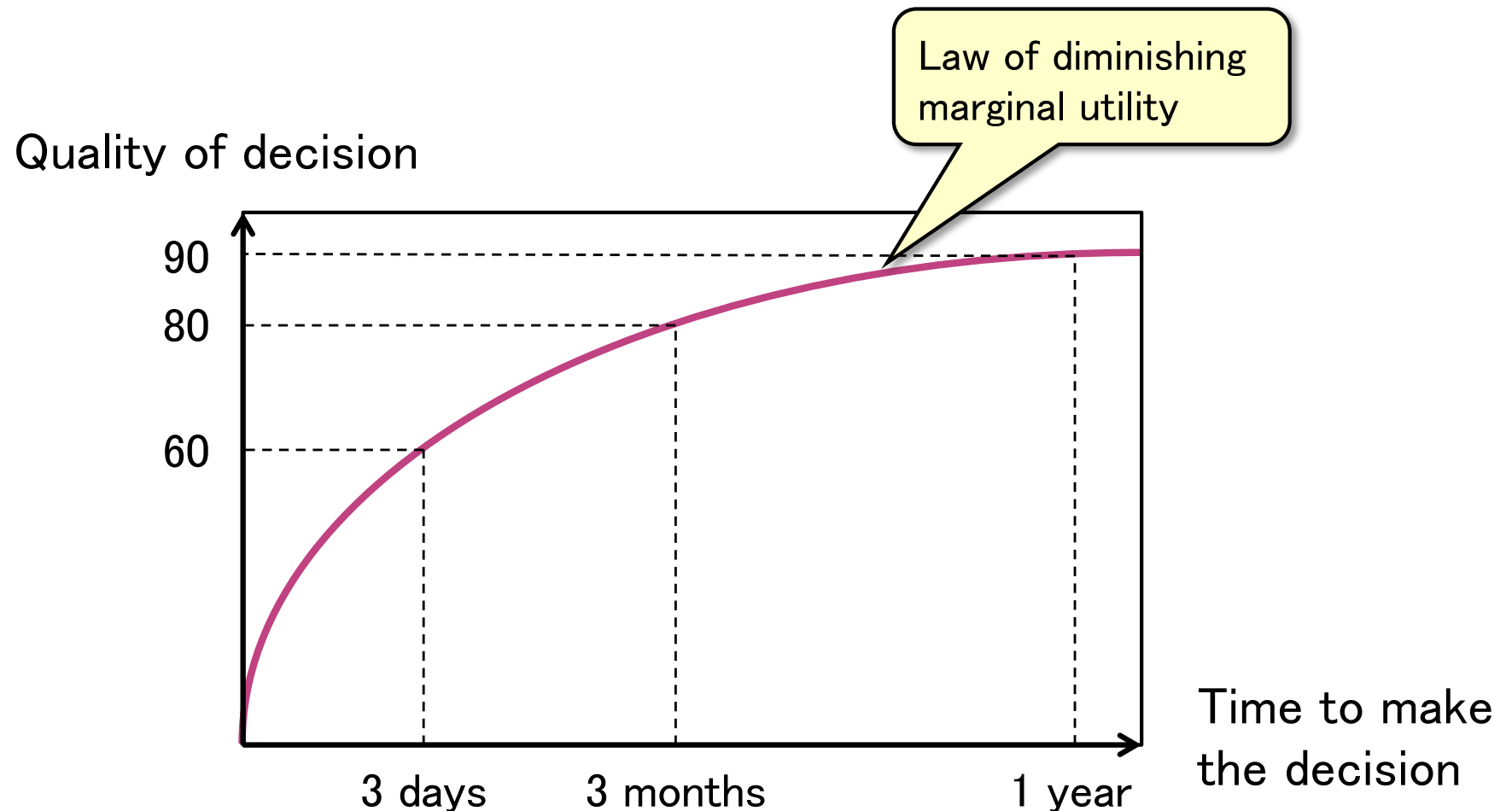


## Bottom-up approach

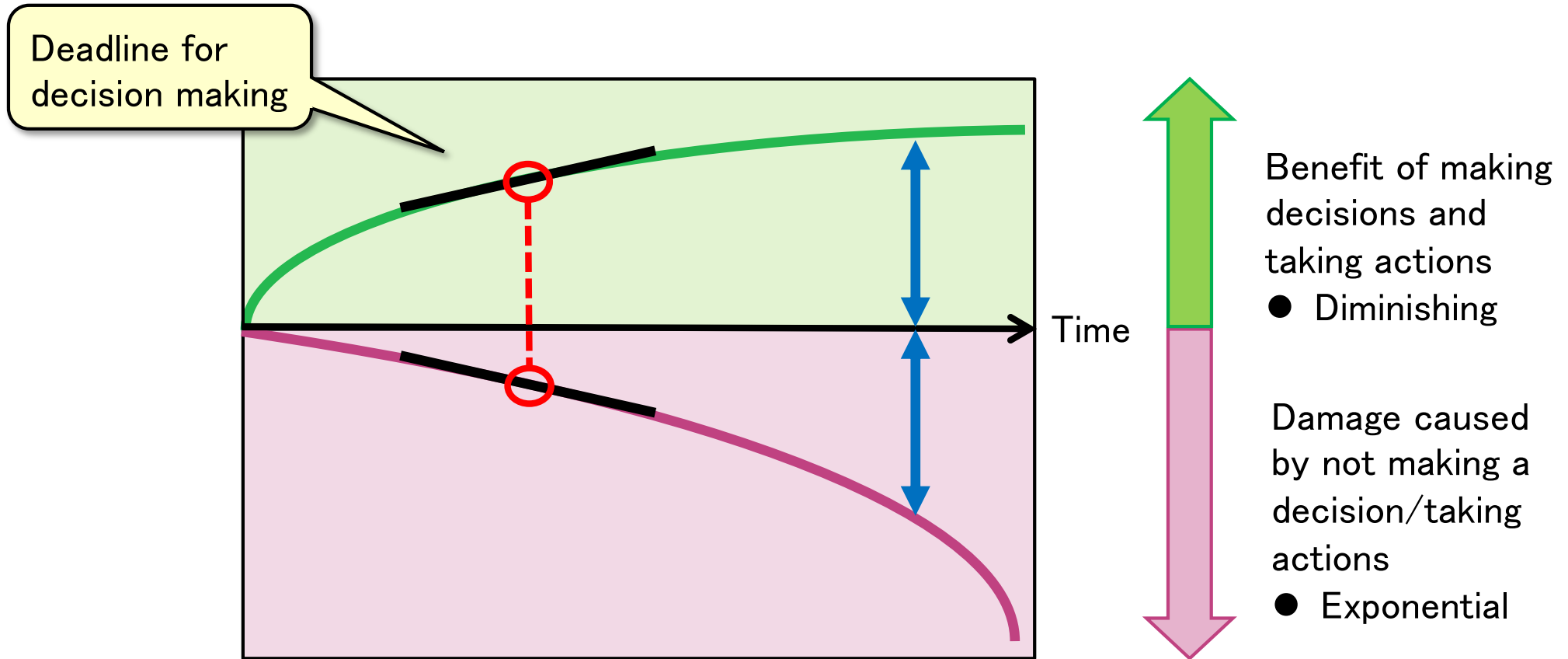
Quality of solution



# MAKE DECISIONS EVEN IF YOU DO NOT HAVE PERFECT INFORMATION



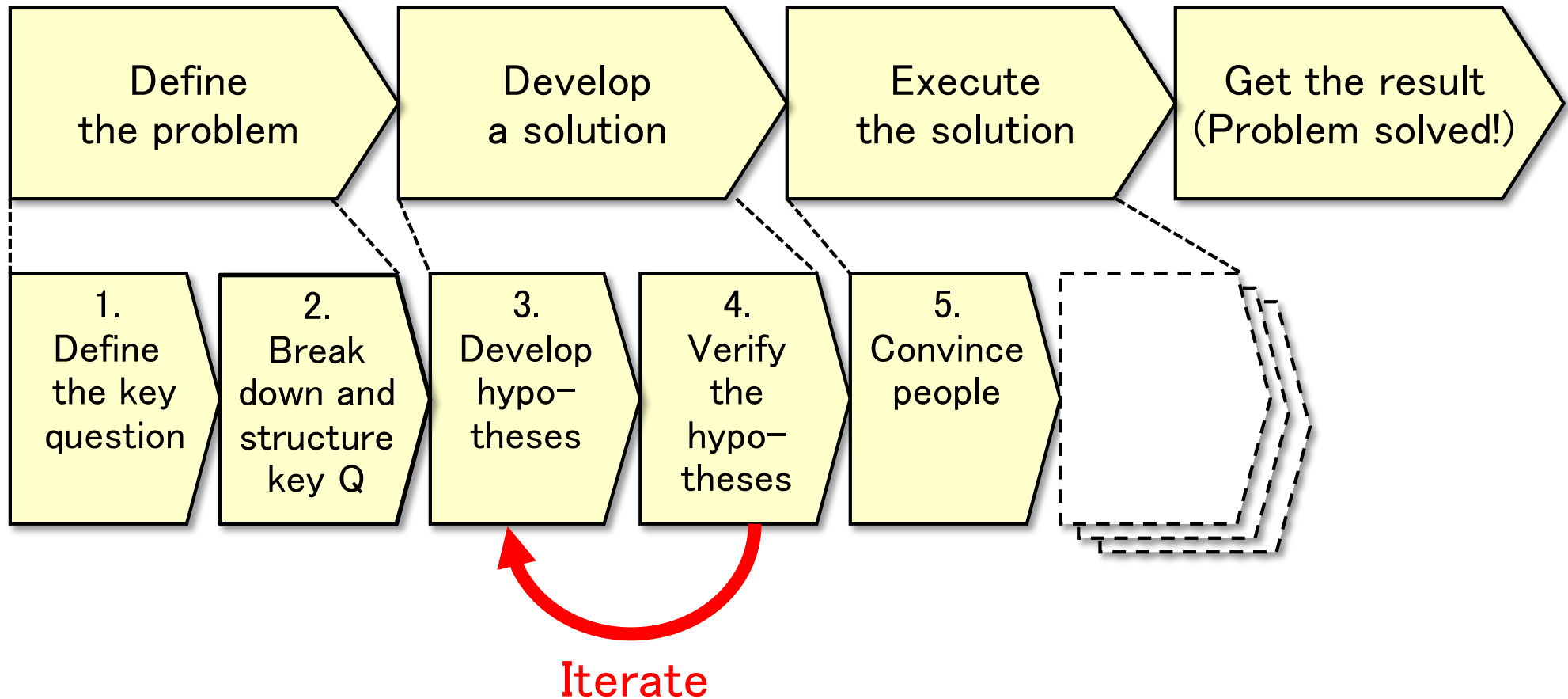
# ECONOMIC EQUATION OF DECISION-MAKING



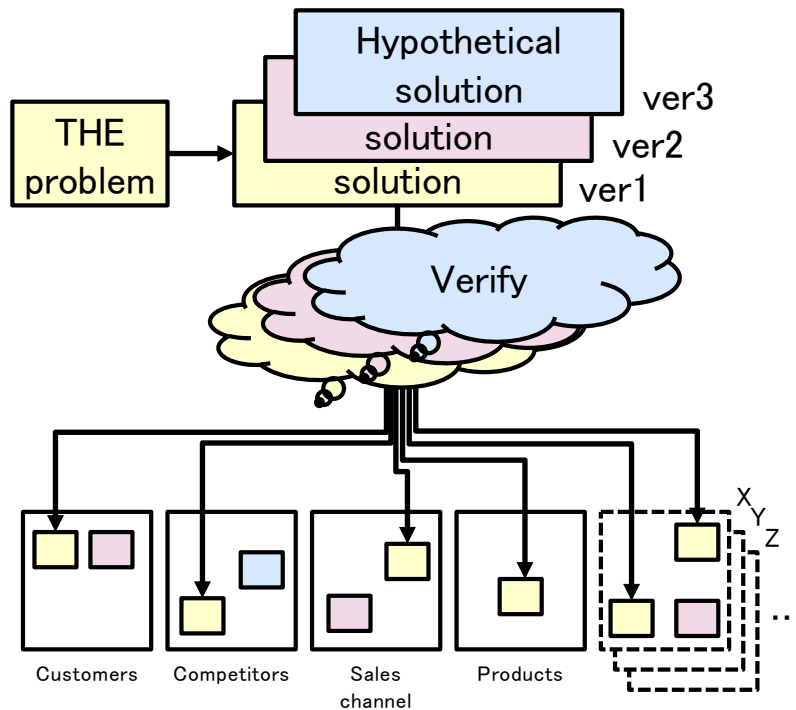
When the deadline comes, make a decision and take an action, however uncomfortable you are

# ITERATE!

## KEEP REVISING YOUR HYPOTHESIS



# KEEP REVISING YOUR HYPOTHESES



- Hypotheses are **allowed to be wrong**
  - Their use is to structure and focus the project
  - No preclusion of the results
- The hypotheses will be **adapted** to the findings during the project
  - More and more specific
  - Changing as the evidence evolves

# AGENDA

Guest speaker: Arto Pakkalin, Bayer

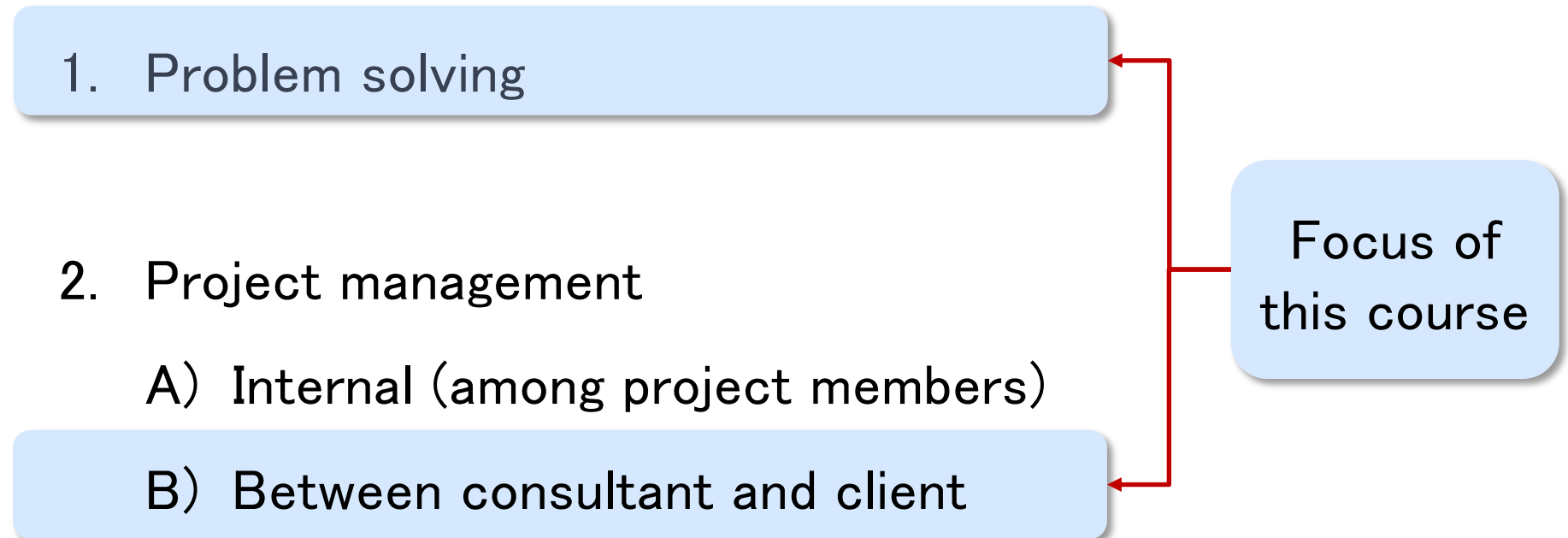
Frameworks: pros and cons

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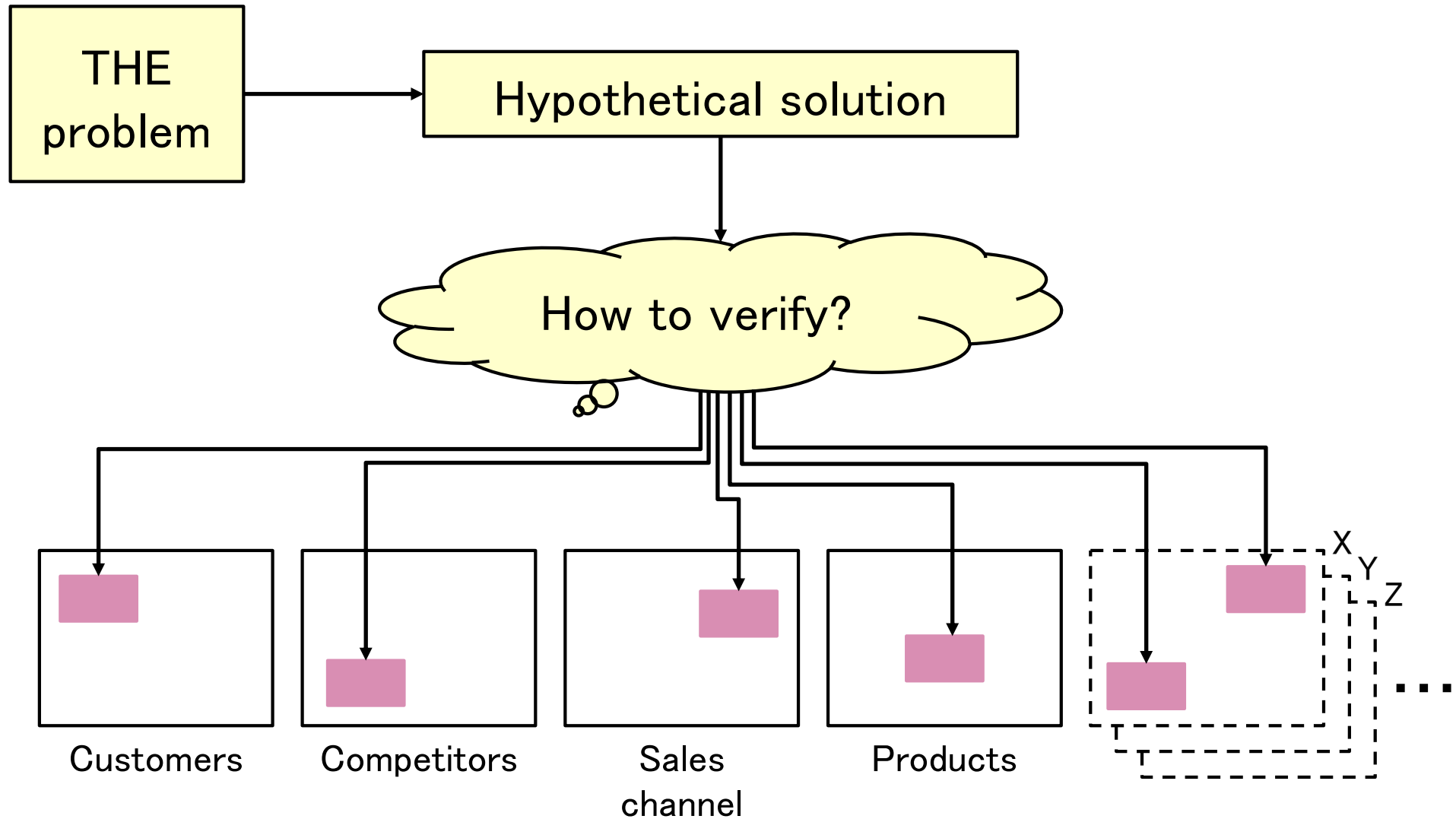
Developing and verifying hypotheses

Project management (if we have time)

# TWO CORE CONSULTING SKILLS



# PRIORITIZE AND FOCUS





# PRIORITIZING YOUR WORK (1): DETERMINE WHAT PROOF IS REQUIRED

Check with  
your client...

... and prioritize your work



Skip it if...

The client already knows it

It is a fact

The client and you agree

The client feels comfortable

Double it if...

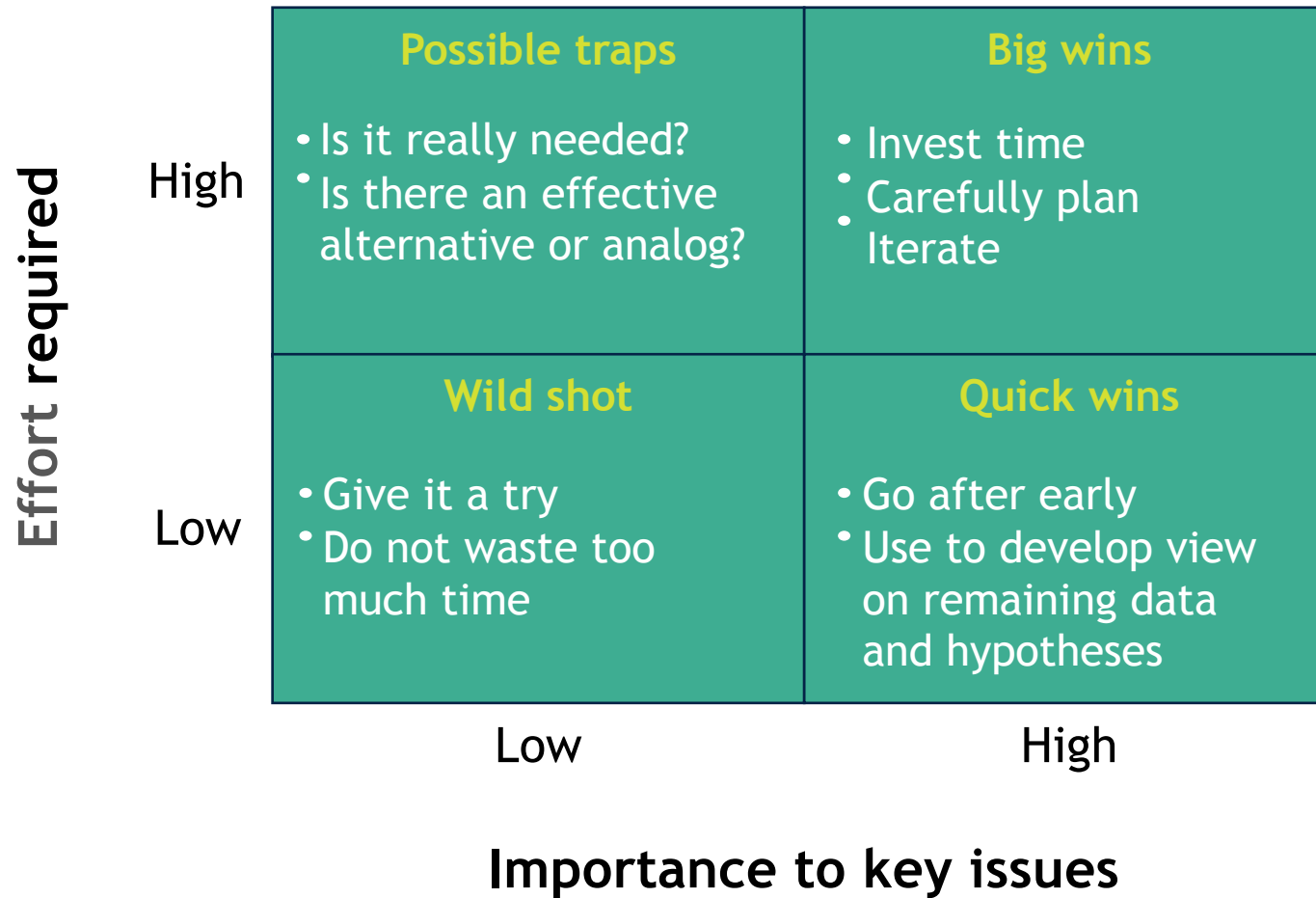
The client doesn't know it

It is a perception or  
assumption

The client and you disagree

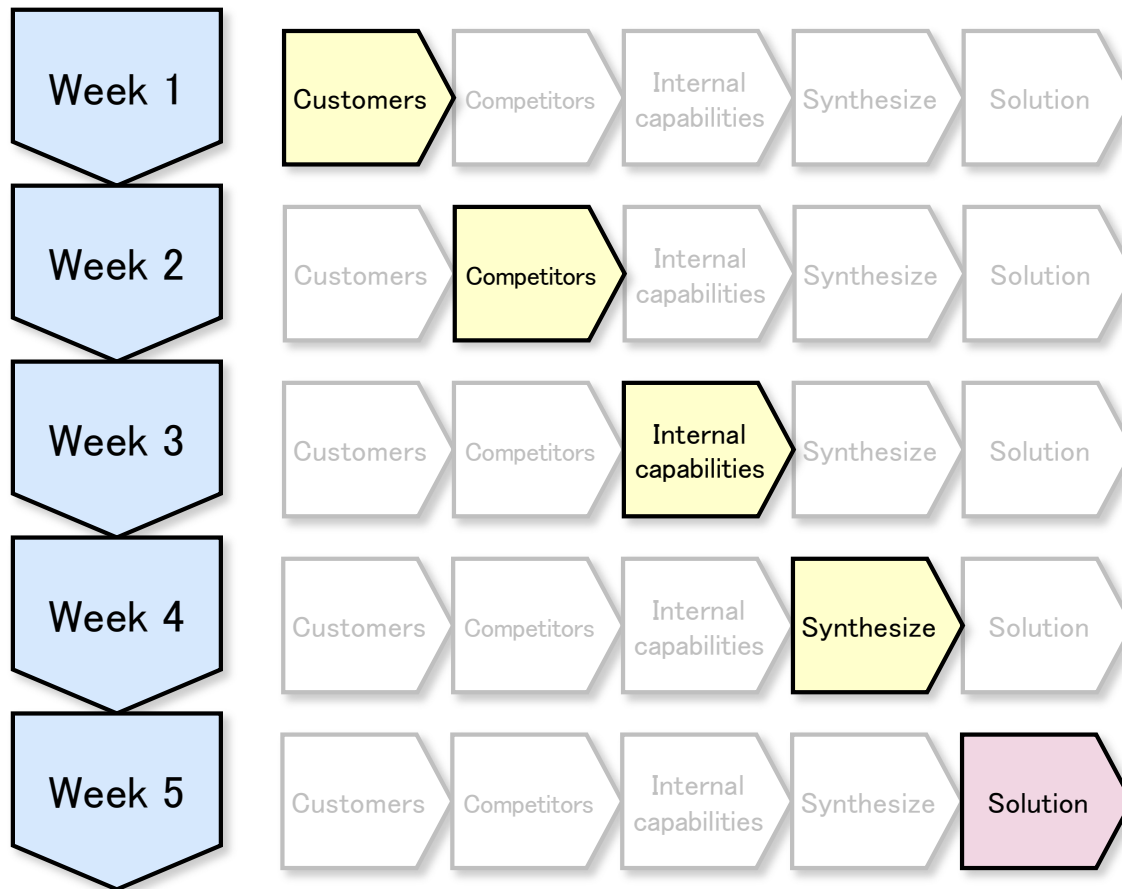
The client feels  
uncomfortable

# PRIORITIZING YOUR WORK (2): PRIORITIZE BASED ON EFFORT AND IMPORTANCE

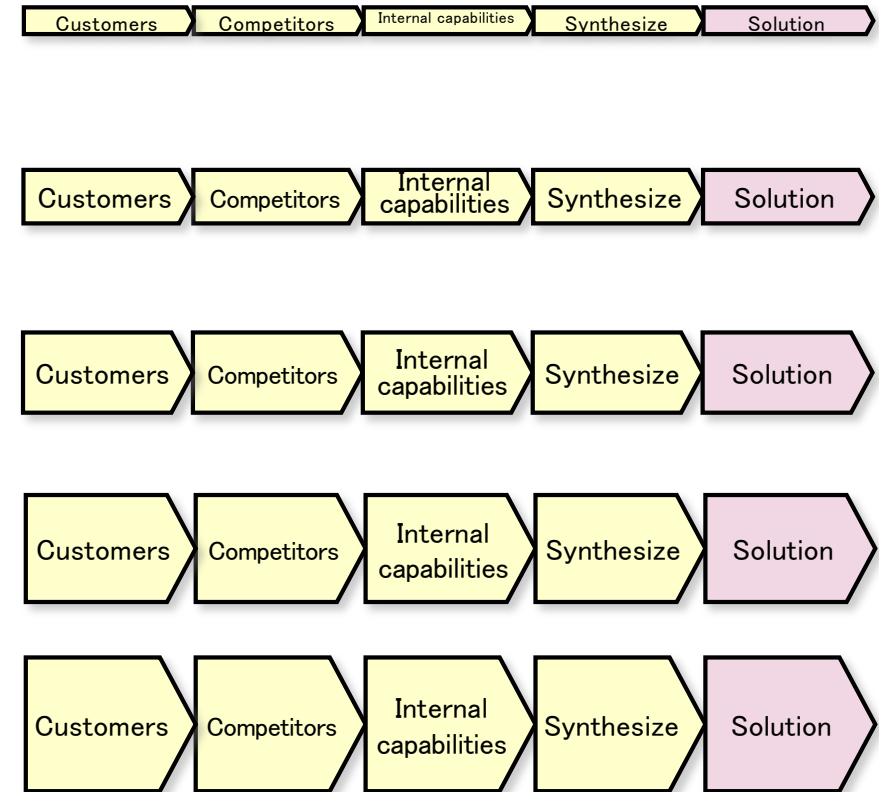


# STEP-BY-STEP APPROACH DOES NOT WORK

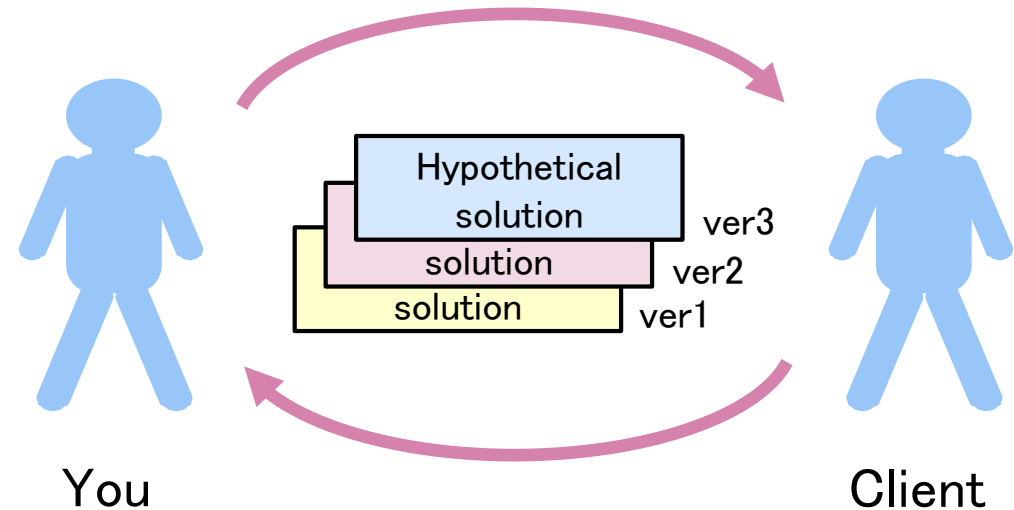
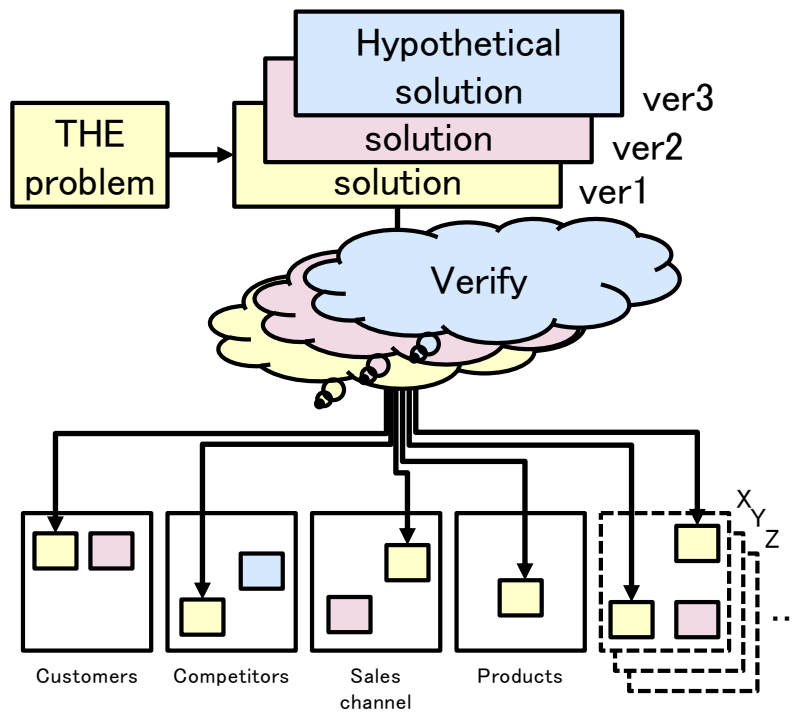
## Step-by-step approach



## Hypothesis-driven approach



# CONSTANTLY CHECK YOUR HYPOTHESES WITH YOUR CLIENT



# ALWAYS HAVE YOUR ELEVATOR SPEECH READY



# THANK YOU

## SEE YOU ON MONDAY