

# INDUSTRY UPDATE: Management Consulting

## Introduction

Why does the management consulting industry exist? Perhaps the fundamental reason is that most companies cannot afford to maintain deep pockets of specialized knowledge on every major subject they may encounter, so they hire firms who do have the required expertise on an ad hoc basis. While the definitions vary, one source suggests that the worldwide spend on management consulting has already breached the \$1 trillion mark, of which the US represents about 34% in 2024. [See [source](#).] Growth expectations range in the 4.75% CAGR area, meaning the industry in the US could be worth \$430 billion by 2029, and almost \$1.3 trillion worldwide. [See [source](#).]

One can certainly debate the relative importance, but some trends are obvious in the world of management consulting this year. Artificial intelligence (AI) definitely deserves a place toward the top. The investment flowing into this family of technologies, the focus businesses are giving to this topic, the potential for revolutionizing so many business processes, the relative lack of deep skill in the market... these are just some of the reasons that management consultants see this as a priority.

Bain Capital describes the dual challenges of decarbonization while providing energy as another key priority [see [source](#)]. This has produced possibly surprising bedfellows such as Microsoft contracting with the operators of the Three Mile Island nuclear power plant to provide energy for AI servers [see [source](#)]. Wind, solar, battery technology, carbon sequestration... in this subject area there are many rich pockets for specialized consulting practices to provide deep knowledge on complicated but critical questions of strategy, implementation, and operations.

Or what about the challenge of building community while being largely virtual? Should a company insist that employees come back to the office as Amazon has recently done [see [source](#)], accept the benefits while going completely virtual (as The Barrett Group has done since 2017), or indeed, adopt some hybrid solution? At the same time, process automation takes on more and more tasks while companies restructure and streamline with the impending implementation of even deeper automation driven by AI lurking just

around the corner. How does a company balance these competing impacts on human capital and successfully recruit new talent in this environment?

Additionally, it may seem hard to believe, but recent data suggests that less than half of companies feel they have reached a state of “maturity” with respect to digitalization of business processes—a staple of the management consulting industry now for more than two decades. “The effort to digitally transform is nearly ubiquitous in every part of the business world, but success is still elusive for many organizations. Deloitte reports that only 44% of organizations have high maturity, and just 34% of the Fortune 500 show signs of being strategic about technology investments.” [See [source](#).] So we can expect this trend to continue and probably accelerate as AI requires more and different data management resources.

Remember globalization? Sometimes admired, sometimes vilified, but either way the trend was clearly driving investment, manufacturing footprints, sourcing strategies, logistics, etc. in previous decades. Now though, macroeconomic instability, regional jockeying for advantage, tariff barriers and protectionism, critical raw materials, and many other aspects of global trade have become the playthings of politics and resurgent nationalism. For example, “Foreign direct investment is declining markedly in Asia and Europe, and interest in reshoring/nearshoring is rising. Global military spending will reach \$3T by 2030, up from \$1.9T in 2020, a sign of a rapidly changing geopolitical environment.” [See [source](#).]

Lastly, as world populations age, healthcare spending will only increase, and the need for deep pockets of expertise in this sector is obvious. “Projections indicate a total increase of USD 3.4 trillion from 2024 to 2029. With 2029 marking the fourteenth consecutive year of growth, healthcare spending is set to hit a record high of USD 15.1 trillion. This expenditure encompasses government and consumer outlays. The surge in spending is concurrently driving up the demand for management consulting services within the healthcare industry.” [See [source](#).]

Indeed, there are so many deep pockets of expertise in the management consulting world that we can hardly profile them all here. Let us then turn to the executives who make it all happen.

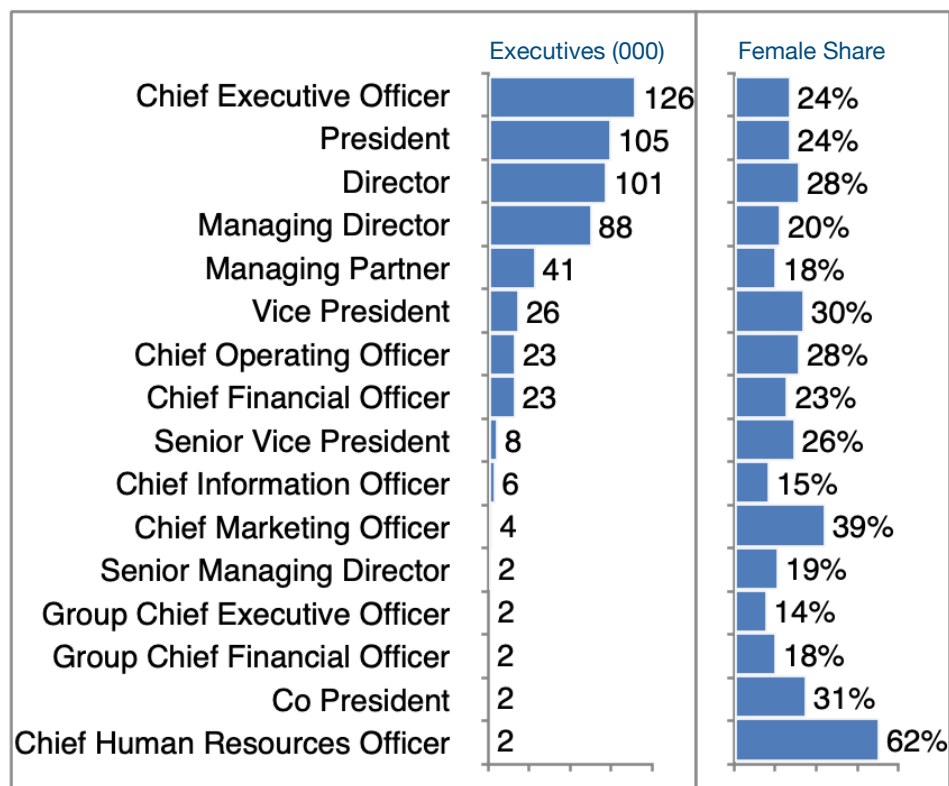
# INDUSTRY UPDATE: Management Consulting

## The Market for Executives

Almost 543,000 executives list Management Consulting as a specialization on LinkedIn, a group that grew by 3% in the past year and of whom nearly 34,000 changed jobs. This means there were a total of about 50,000 executive opportunities filled in this space in the past 12 months—9% of the total population. That is a very large share by comparison to other industries. In the US and Canada, they number 269,000 (+3%), in the EU and UK, 248,000 (+2%), and in the Middle East, 27,000 (+5%).

As Chart 1 reveals, this is a rather fragmented industry with many

Chart 1: Executive Titles

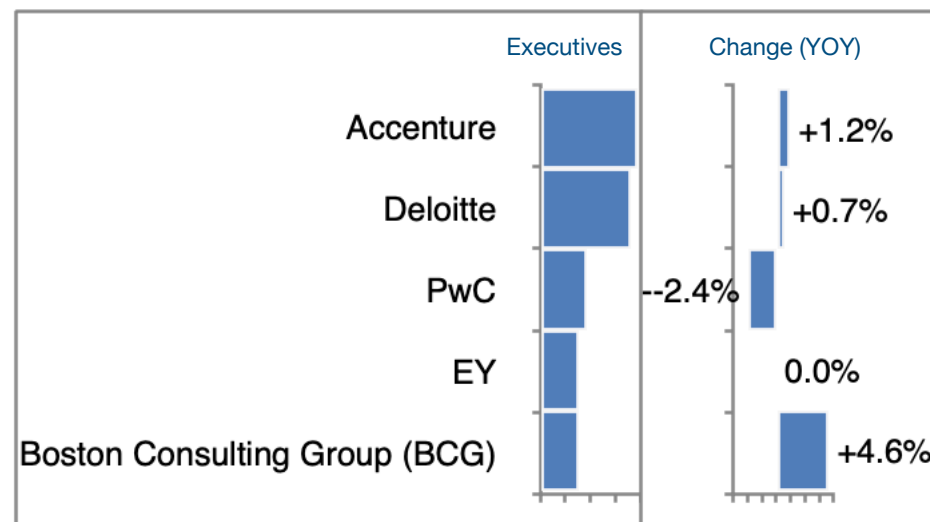


smaller, specialist businesses (as well as a few behemoths). Hence the high share of CEOs and Presidents in the title mix—an indicator of flat and probably smaller organizations. Female executives constitute only about 25% of the overall population, slightly higher in the US and Canada, and lowest in the Middle East. As we often see, women are for some reasons often seen in the marketing and human resources roles, and this industry is no different.

There is no functional reason for this relegation of women to specific roles in our view, and we believe that many other organizations would agree. This is why we see so many firms promoting women executives in the consulting field. For example, here is LinkedIn's [top women in consulting list for 2024](#).

The largest firms' (Chart 2A) executive head counts range between

Chart 2A: Management Consulting Firms



slightly more than 1,000 and almost 3,000. Boston Consulting Group (BCG) shows exceptional growth in the short term apparently by focusing on climate issues and decarbonization, although the firm has been awarded accolades by Forrester Research in the AI arena, has

# INDUSTRY UPDATE: Management Consulting

been selected to advise the US FDIC agency as it seeks to implement its “Action Plan for a Safe, Fair, and Inclusive Work Environment,” but BCG also “admits to paying bribes for Angolan government contracts”.

On the other hand, “PwC plans to lay off 1,800 employees – or 2.5% of its 75,000-person workforce in the US” according to the Wall Street Journal. The same source continues, “The layoffs are PwC’s first formal round of cuts since 2009, having avoided the series of cuts enacted by its Big Four peers last year. Deloitte announced a 1.5% cut to its US workforce, KPMG US cut 5% of its employees, and EY US cut 5%.”

Earlier this year Accenture announced a number of management changes including “the appointment of new leaders who have been helping advance its strategy to reinvent companies in the age of AI and drive long-term growth for Accenture.” [see [source](#).]

Deloitte also revealed major changes in 2024. “Deloitte's advisory business would be cut to three divisions from four. Its consulting, financial advisory and risk advisory divisions will be brought into two new units: Strategy, risk and transactions; and technology and transformation. The new structure is likely to be in place by June 2025 and it would “modernise and simplify” strategy, according to the company.” [See [source](#).]

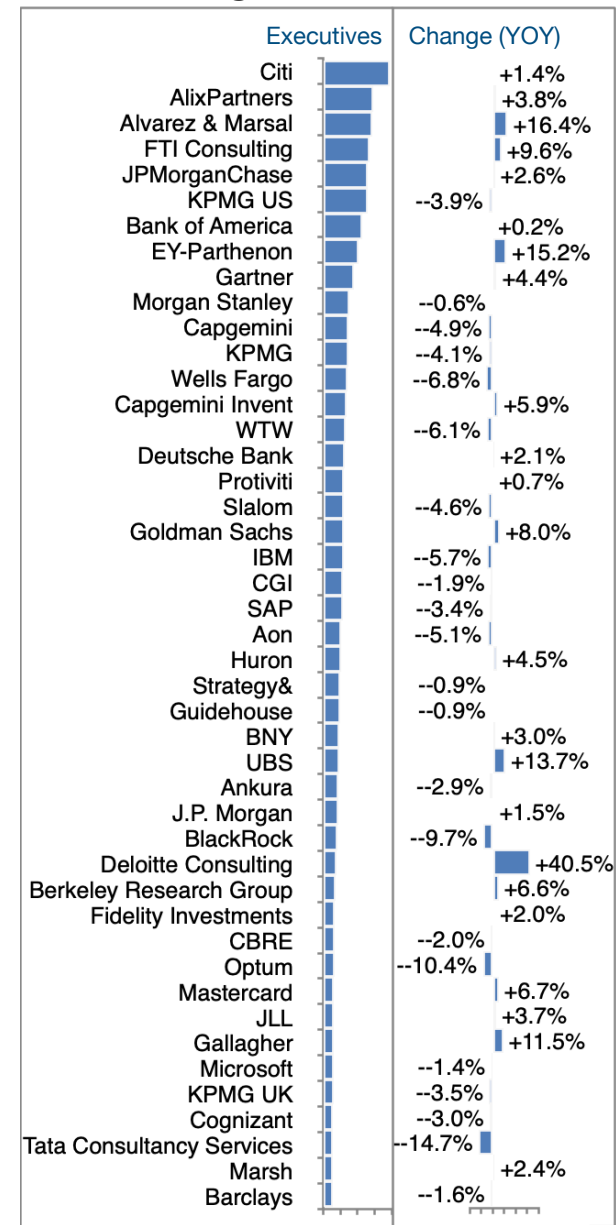
As mentioned above, EY made reductions in 2023, so there has been little change in the total number of executives in the meantime.

Beyond the behemoths, there are myriad other consulting firms (a sample of which you will find in Chart 2B) also employing executives in this industry, although the relative size of these firms is substantially smaller—too small in fact to be individually reported. Alvarez & Marsal (NY, +16.4%) added accounting skills as well as a broad palette of other specializations. EY-Parthenon (Boston, +15.2%) represents a unit of EY that lists separately on LinkedIn saying this about its services, “At EY-Parthenon, 9,000+ multidisciplinary professionals in teams across 120 countries help provide EY clients with corporate, transaction and turnaround strategies...”

UBS (Switzerland, +13.7%) focuses on financial management, while Deloitte Consulting (Italy, +40.5%) is apparently a separately listed unit focused on strategic management services operating out of Milan.

Of those reducing their executive head counts, in banking Wells Fargo (CA, -6.8%) shed talent to a very broad list of generally smaller firms, and the same is essentially true for the consultancy KPMG US (NY, -3.9%). WTW (UK, -6.1%), a specialist in insurance, gave up talent to many competitors in the same space. IBM (NY, -5.7%) offered a similar story in the IT sector, investment management specialist BlackRock (NY, -9.7%) saw net departures to Amazon, Citi,

## Chart 2B: Management Consulting Firms





# INDUSTRY UPDATE: Management Consulting

## Barrett Group Clients coming from and going into Management Consulting



### Victoria Sydorowicz - Controller

Challenge: After six years of running her own business, Victoria wanted to return to salaried work, but she found the job market surprisingly competitive and wanted to get smarter about her approach.

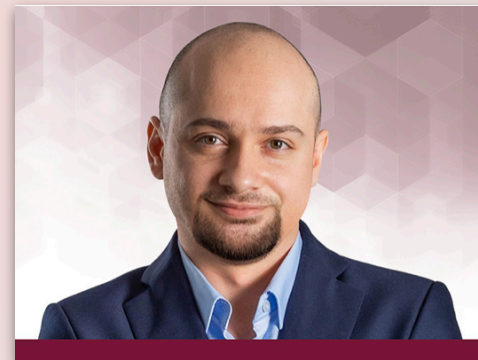
Landing: Within three months, Victoria found exactly what she wanted in a controller position at a small, management consulting firm that needs her skills to grow the company, and where the prospects for advancement are promising.

“I really value the perspective The Barrett Group gave me about the job market and how to navigate the challenges. I don’t think anything could have been better about my experience.” [\[Read More.\]](#)

### Philip - Director of the Department, Public Safety Standards & Training

Challenge: Philip was asked to assume a critically important government role during the pandemic that was vacant but, as the crisis subsided, he found the position to be an unappealing long-term prospect and wanted help transitioning his career.

“Clarity was absolutely the MOST valuable part for me because I had trapped myself into thinking that I have to be in the C-suite. That I must continue doing what I have been doing. My coach, Lisa Levesque, really helped put things into perspective. The exercises I did made me deeply examine what is important in my life.” [\[Read More.\]](#)



### Maite - Senior Manager

Challenge: After nine years of advising transportation and logistics companies, Maite wanted practical experience in the industry and, ultimately, a top leadership position.

“As a consultant, I was advising people in those roles, but I want to be one of those people. Instead of advising leaders on the problems and challenges in their industry, I want to own the problems, the team, and the resources, myself, and be responsible for deploying them to drive positive impact in the world. To achieve that goal, I need practical experience in the industry.” [\[Read More.\]](#)

Read our clients' [Success Studies](#) for many more examples.

# INDUSTRY UPDATE: Management Consulting

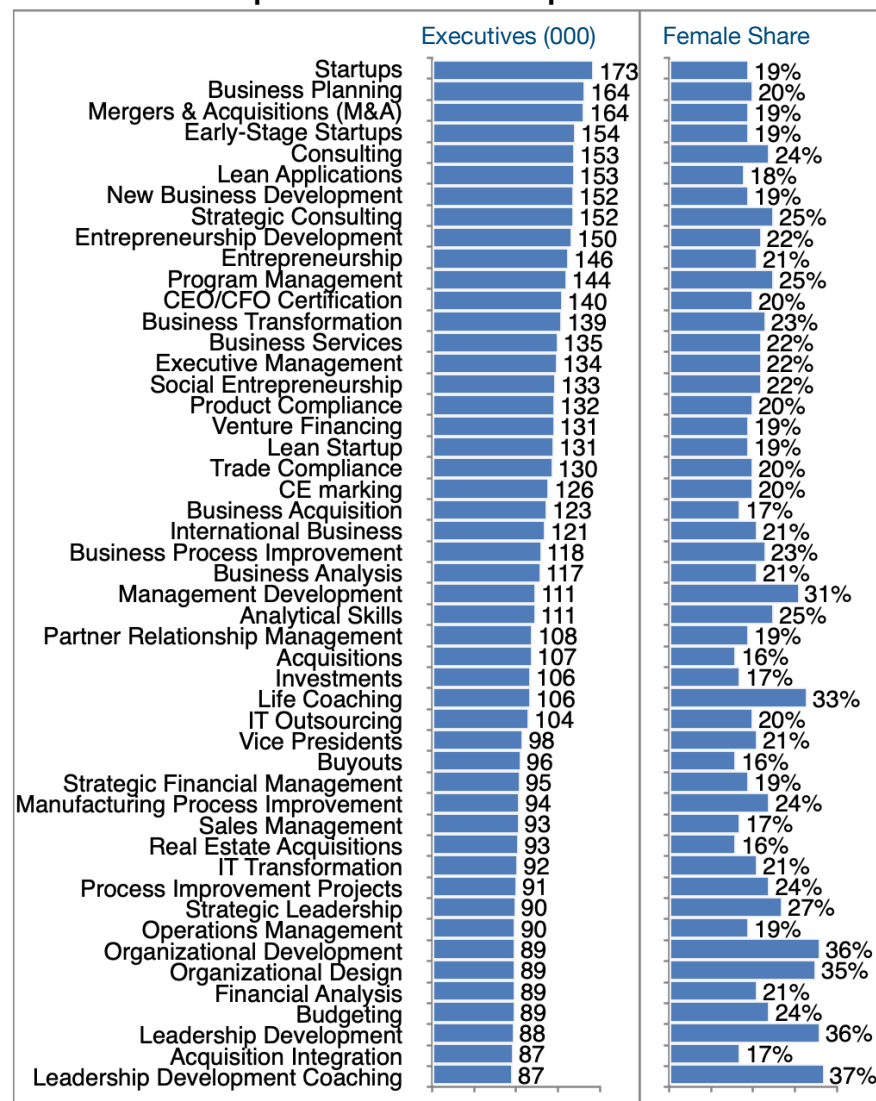
EY, and others, while Optum (MN, -10.4%) shed talent broadly in the healthcare sector, and Tata Consultancy Services (India, -14.7%) did likewise in the IT System Design Services arena.

Please note that we cannot explore the detailed changes at every firm in this Industry Update, however, clients of The Barrett Group (TBG), do benefit from detailed research support at the broad industry-screening stage and also at the in-depth, pre-interview preparation step. And, clearly, knowledge can be powerful. Here is one example of one TBG client's offer negotiation experience:

*Normally, I would have accepted whatever was offered me. But [TBG] coached me to always approach salary negotiations with market research in order to make a case for higher compensation. The Barrett Group provided me with that market research, and I was able to get a significant increase. That was very valuable! [Aimee Ellsworth, [Read More.](#)]*

Chart 3 lays out the most prevalent specializations offered by Management Consulting professionals. Interestingly, AI does not make the list because only about 10,000 executives list this as a specialization in this industry—although that number has more than doubled in the past year.

## Chart 3: Top Executive Specializations



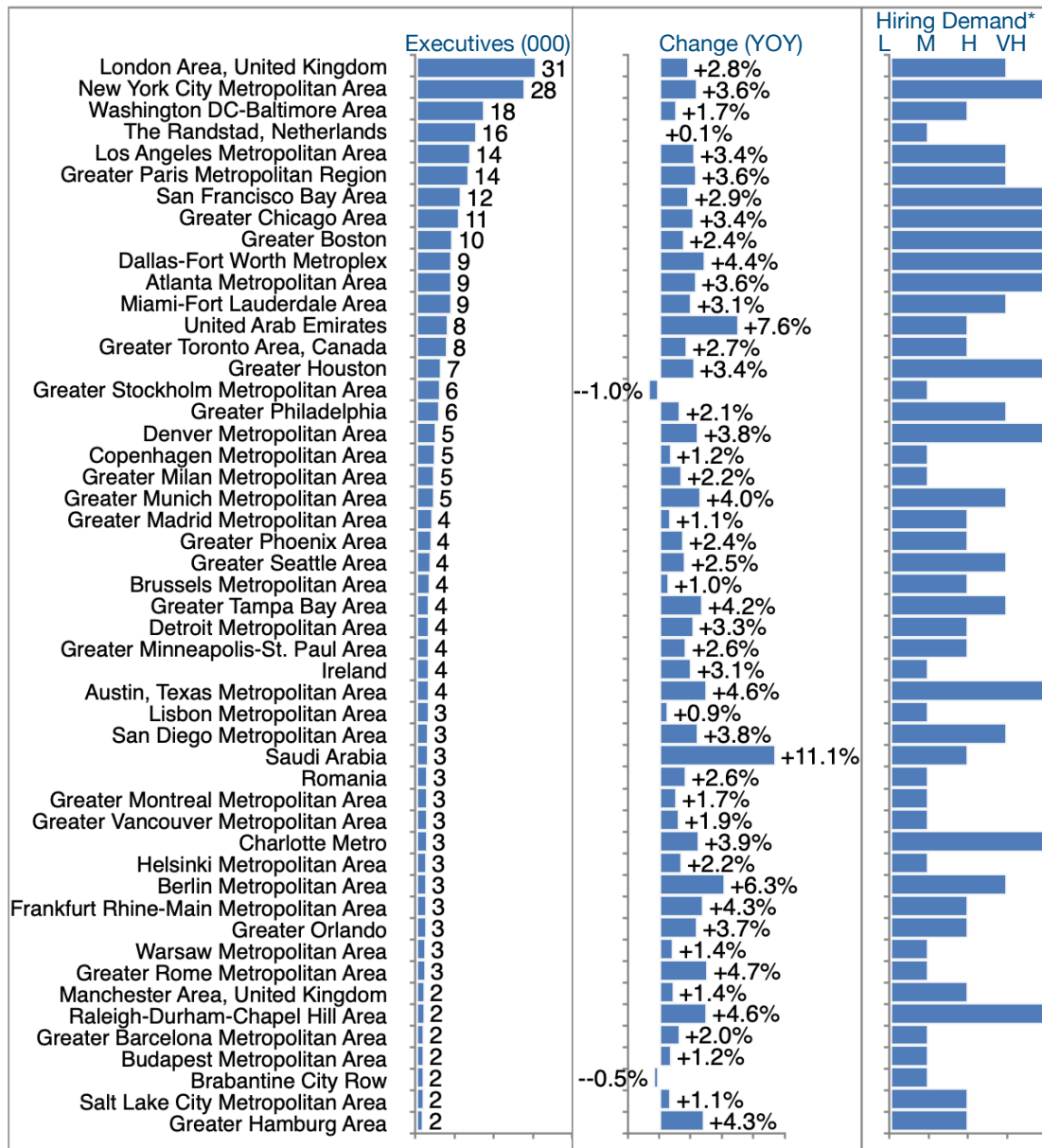
Female executives are most common in Leadership Development and Coaching (36-37%), Organizational Development (36%), Organizational Design (35%), Life Coaching (33%), and Management Development (31%).

### Editor's Note:

In this Update “executives” will generally refer to the Vice President, Senior Vice President, Chief Operating Officer, Chief Financial Officer, Managing Director, Chief Executive Officer, Chief Marketing Officer, Chief Information Officer, Managing Partner, General Counsel, Head, President and Director titles principally located in the US, Canada, Europe, the UK, and/or the Middle East. Unless otherwise noted, the data in this Update will largely come from LinkedIn and represents a snapshot of the market as it was at the time of the research. Is LinkedIn truly representative? Here's a little data: LinkedIn has more than 1 billion users. ([See Source.](#)) It is by far the largest and most robust business database in the world, now in its 20th year. LinkedIn Talent Insights data is derived by aggregating profile data voluntarily submitted by LinkedIn members. As such, LinkedIn cannot guarantee the accuracy of LinkedIn Talent Insights data.

# INDUSTRY UPDATE: Management Consulting

## Chart 4: Leading Executive Locations



\*Relative hiring demand according to LinkedIn: Low, Moderate, High, or Very High

Readers of these Updates will recognize how rare it is that any city other than New York tops the executive location ranking. In Management Consulting, London takes the crown leading us to ask, why is that? What makes London special? Here's one perspective on that question:

*London's role as a global leader in consulting services has largely happened out of accident and has happened from a three pronged approach; Financial Services, Public Sector and Technology. [Read more: [Why London is the best city to be a Consultant!](#)]*

Indeed, Financial Services and the Public Sector are powerful attractions for Management Consultants and probably also explain the ranking of Washington DC, the Randstad (which is actually a conglomeration of four major Dutch cities: Amsterdam, Rotterdam, The Hague, and Utrecht), and indeed, Paris.

Beyond the historical growth (Change YOY) where the UAE (+7.6%), Saudi Arabia (+11.1%), and Berlin (+6.3%) all stand out significantly, LinkedIn also offers a future-oriented metric called hiring demand. This suggests what the current and short-term future demand may look like for executives in this industry in each of the named locations.

From this latter perspective, New York, San Francisco, Chicago, Boston, Dallas-Fort Worth, Atlanta, Houston, Denver, Austin, Charlotte, and Raleigh-Durham-Chapel Hill all share what LinkedIn cites as very high hiring demand in this industry.

If you are interested in finding out more about how TBG's services help executives discover opportunities in their current industries or indeed migrate to new roles and sectors, feel free to visit us at [www.careerchange.com](http://www.careerchange.com) to schedule a complimentary, introductory call.