Can Consulting Survive Its People Problem?

By Pierre Pourquery, October 2025

In my previous article, I shared my views on the real threats that rapid AI adoption poses to the consulting business. I explained that the three types of consulting companies (the plumbers, the artists, and the doers) will need to operate very differently in order to survive.

In this article, I reinforce that point but offer a different perspective on why current consulting businesses are destined to disappear if they don't change dramatically, independently of the AI threat looming in the background.

The Failed Promise of Leverage

Traditional consulting businesses rely heavily on people. Some have tried, more or less successfully, to create greater leverage in their model by better packaging their knowledge and intellectual property, and by using tools to automate internal processes and improve delivery margins (both contributing to higher profitability and better scalability).

But let's be honest: despite tremendous efforts and investment, most have failed. There are multiple reasons for this.

First, it has never been taken seriously enough. Why change a model that generates good margins for partners and shareholders? As a result, very limited investment and focus have been dedicated to these initiatives.

Second, those who did take it seriously faced difficulty extracting and collecting knowledge and data from their own staff and partners. The latter saw this as a real threat to their jobs and personal advantage. Why should I share my experience and knowledge with others who don't do the same, knowing that ultimately they won't need me as a consequence?

Third, it's an extremely complex undertaking. Transforming unstructured information and data into structured data models and frameworks is exceptionally difficult; at least in a non-GenAI world.

As a consequence, consulting models have had to rely mainly on their people to create value.

The People Problem

The problem is that despite people being their main assets, consulting firms have done a very poor job of managing them. The consequences have begun to emerge over the last three to five years.

Rising Burnout and Dissatisfaction

The level of burnout and dissatisfaction is very high (see my article on burnout in financial services and its impact). This typically affects mid-grades (senior consultants to director levels) but not only them anymore. Junior grades and partners are also impacted. Juniors face anxiety related to the emergence of AI and the possibility that it will replace them, while consulting firms providing them with limited apprenticeship opportunities.

The Exodus of Experts

Strangely enough, the people who should be most carefully nurtured (i.e. the gurus, the real experts) have been gradually pushed out of these firms. This is counterintuitive, as clients pay significant fees to get expert and senior perspectives and insights.

The explanation is that experts and gurus typically have lower commercial acumen. And if they do possess it, they don't have much time to dedicate to it, given the need to stay expert in a constantly changing environment. They deserve compensation comparable to partners, as clients often value them more than partners. But because their margin and sales impact is limited, they struggle to survive and eventually leave these firms—if they're not pushed out first.

The Forced Exit of Senior Partners

I've also noticed that the older population (those with significant experience and networks) have suffered from the mismanagement of people. Because of the pyramid structure, their perceived lack of energy, and possibly other reasons, they're being asked to retire between 55 and 60 years old (the latter mainly for the plumbers).

But aren't these people, like the experts, key to opening doors, providing more trusted advice, and providing the gray hairs necessary to give confidence to clients' boards?

How Different Consulting Types Handle the Crisis

The plumbers are typically bad at managing people, far too obsessed with reaching their numbers. For some, people are just a number in a spreadsheet. That's an extreme case, but a real one. Most of the time they try, but badly. They overcomplicate things, providing complex metrics, changing those metrics too often, and using people "pulse" surveys as a proxy for managing people. This obviously doesn't address the real issues and root causes of the problem.

Burnout and dissatisfaction stem primarily from the fact that people are not really treated as critical assets of the company. I call this **the dehumanization of consulting**.

The artists are much more mature and concerned about this issue and have adopted more sophisticated methods to tackle the problem. Most monitor the mental and morale state of their teams on a monthly or weekly basis. When issues are identified, they deploy remediation measures that include team coaching and personal coaching;

not basic coaching, but approaches that can involve organizational dynamics solutions and similar interventions.

Unfortunately, they're facing two big problems: the new generation of consultants is not willing to work long hours, especially without a strong purpose. They want a life that balances their personal and professional lives well. And they need to believe in what they're doing. That explains the high level of burnout even in this category.

What's Left for the Consulting Business?

So if the key assets of consulting firms are people, and some are being asked to leave (the older partners, the experts and gurus), others are leaving to maintain their health intact (the mid-range levels), and still others are not being provided with the right tools to fight the GenAI battle.

So, what is left for the consulting business?

The Broader Societal Impact

This impacts not only consulting firms but society as a whole. Critical questions emerge:

- How do we protect Gen Z in the face of GenAI?
- How do we incentivize people to develop and maintain high levels of expertise and knowledge?
- How do we ensure that the older population stays at work longer as they live longer?

The traditional consulting model is facing a crisis with its main asset: its people. Without dramatic change, it may not survive, with or without the AI revolution that's already begun.

