

# Career in focus

## Management Consulting

In this issue, CNSPY Project Manager, Yixiao Zou has compiled answers to the most frequently asked questions about careers in Management Consulting. Yixiao is a PhD student in the Yale Interdepartmental Neuroscience Program. In his free time, he enjoys outdoor activities, especially hiking. Yixiao interviewed Dr. Stephane Budel, Founding Partner at DeciBio and CNSPY career mentor, to bring you first-hand insights into management consulting. Dr. Stephane Budel has over 13 years of combined experience in life science business consulting, entrepreneurship and academic research. He specializes in life science research tools and diagnostics spaces, with a focus on the assessment of the business potential of novel and disruptive technologies. We thank him for taking the time to share his experiences with us.

### **What is management consulting?**

Management consultants help clients make business decisions by collecting data and providing analytical insights into diverse aspects of business, including understanding consumer needs, responding to new regulations and entering new markets. For example, a bookstore may seek input on whether to develop its own line of electronic reading tablets, or a pharmaceutical company may seek help prioritizing drug candidates following the passage of the Affordable Health Care Act. Clients include large corporations, non-profit organizations and government agencies.

### **Why switch?**

Management consulting provides opportunities to develop an understanding of the value of scientific results within the framework of business development, as well as the ability to influence others and accomplish more as a team. A role in management consulting can provide you with experience that will open up additional career options in the future, and provides good compensation. This career is a good fit for scientists who enjoy working on diverse projects in a fast paced-environment, the business aspects of science, and travel.

### **What positions can one hold in management consulting?**

Most PhD graduates and postdocs are hired by management consulting firms at the associate level, generally equivalent to post-MBA hires. Associates work as part of a team under the guidance of a senior consultant. Successful associates take on more and more responsibilities, which include setting the analytical framework of cases, handling current client relationships and developing new client relationships.

### **Where will you work?**

There are hundreds of management consulting firms in the United States alone. They have offices in almost every state and many firms have international offices located around the world. Firms that have hired Yale PhD graduates and postdocs in the recent past include McKinsey & Company, Boston Consulting Group, L.E.K., and Simon-Kucher & Partners.

### **How to make the transition?**

While at Yale, you can prepare for a career in management consulting by joining the Yale Graduate Student Consulting Club, participating in Case Competitions, and connecting with Ph.D. graduates from Yale and other schools who have recently established their career in management consulting. In his note, YGCC Chair, Anit Raja Banerjee, gives an overview of how YGCC can help you achieve your goals. You can also apply to McKinsey & Co.'s Insight program or the Boston Consulting Group's "Bridge to BCG," which are short immersion programs that give you the opportunity to experience life as a management consultant.

## Interview with Dr. Stephane Budel, Founding Partner at DeciBio

### ***How did you become interested in consulting?***

As a PhD student, I joined a vibrant, large and well-funded lab. These big labs tend to attract like-minded driven and independent people, who don't feel the need for daily interaction with their PI and prefer not to be micromanaged. I enjoyed working with the people in the lab during my rotation, but didn't realize that part of that excitement came from their entrepreneurial aspirations. I got to know a few of them extremely well, and actually started my first company with two other grad students in the lab. This experience convinced me that there are many different opportunities to pursue intellectually stimulating activities outside of academia. Basic research was too slow paced for my taste, so I applied for a short summer internship at BCG ([Boston Consulting Group](#)) called "[the bridge](#)". On day one of that program, I knew consulting was right for me.

### ***Please describe your own career path to date.***

After receiving my PhD degree from the Physiology Department at Yale in 2007, I joined the management consulting firm L.E.K. Consulting as a Life Science Specialist. At L.E.K., I developed my "80:20" skills of quickly getting to the 80% of the answer with only 20% of the effort. This is an area where many PhDs entering management consulting – including myself – struggle. In 2009, I saw a market opportunity in an industry I had become intimately familiar with throughout my academic and professional career. I left L.E.K. Consulting to found DeciBio, a market research and consulting firm that helps clients in research tools and diagnostics to access market opportunities. I noticed that there was little high quality, robust data available on these markets. I launched DeciBio to change that.

### ***Could you tell us a little more about DeciBio?***

Certainly. What's unique about DeciBio is our combination of technical and business expertise. We have a deep technical and commercial understanding of the niche markets we cover. We are excited about technologies that we feel are going to be disruptive, and grow into significant commercial opportunities. I am talking about markets such as next generation sequencing, single cell genomics, digital pathology and companion diagnostics.

One of our core skills is the ability to understand the unmet needs of research and diagnostics labs and evaluate how new technologies and solutions can address them. We write off-the-shelf market reports, and conduct tailored consulting projects in this space. As a result, we are retained by startups with as few as 10 people to Fortune 500 companies. Most often, companies work with us to better understand whether to enter a specific space. So a key component of our work is to conduct interviews with key opinion leaders, such as clinical lab directors,

biopharma VPs, or academic professors. From these interviews, we try to understand the current and future activities, trends and unmet needs people face. We also try to understand how much users would be willing to pay for improvements on current approaches. We typically conduct ~30 interviews, but it can range from 5 to 100. We supplement this primary research with public and proprietary secondary data to model out current and future market sizes and growth. We summarize our findings in PowerPoint presentations, which we present to our clients and then work with them to build consensus around the findings and implications. Our presentations are further supported by robust Excel financial models.

We've been up and running for four years, and I think we're onto something. Business is good, and comes primarily from repeat customers and referrals. That's a good sign.

### ***How did your experience at L.E.K. Consulting help your work at DeciBio?***

The nature of the work at DeciBio is similar to my work at L.E.K. Consulting. However, while L.E.K. Consulting focuses on multiple market sectors, at DeciBio, we primarily focus on market segments that total <100 billion dollars worldwide (annually). If you look at L.E.K. Consulting, their life sciences practice focuses on the entire 3 trillion dollar healthcare market in the US alone. And that's just healthcare. They also work in other industrial sectors such as airlines, energy, media and entertainment, and consumer goods. So our strategy at DeciBio is to focus on our market, and to build strong expertise in it. We are the go-to-guy for next generation sequencing or single cell genomics expertise, for instance, and we have connections to the major players in the space we cover. Our path to success is through continued focus and specialization.

### ***What was your typical day like at L.E.K. Consulting?***

95% of the time, you are staffed on a case for a specific client. The typical case structure includes one Vice President (VP) / Partner, one manager, one consultant, one life science specialist and one or two associates. As a life science specialist, one of your key roles is to conduct interviews to generate quantitative information for financial modeling and to fill gaps that you can get from secondary (published) research. You also typically summarize this information in a PowerPoint presentation, so a good chunk of time is spent making insightful slides that communicate impactful and actionable answers to busy executives.

I would typically get to work at 9am and spend some time checking emails and reviewing comments from consultants and managers that wake up early to provide feedback for the work conducted to date. I would then review the work from the associate(s) on the team,

and provide additional guidance if necessary. You are responsible for their work and need to make sure that they are conducting some appropriate secondary research, including finding information from market reports, or sourcing and scheduling the right mix of people you need to talk to (and this can be more tricky than you think, e.g., find a cardiologist in a small hospital in Germany to get the right final mix of therapeutic area, institution type and country split).

By noon, you typically have already spent an hour on the phone with a key opinion leader, like the head of cardiology at Massachusetts General Hospital to discuss where the field of cardiology will be in 3 years. You grab a quick bite to eat and get back for a 1pm interview. You spend the rest of the afternoon working on slides, maybe conducting another interview and meeting with your team to make sure that the project is on track.

By 7pm, someone on the team finds some new information in a recent report or article or makes a slide from the model output that seems unexpected. You spend the rest of the evening trying to sort it out. Typical days end at 10pm, so that's a 13-hour day. Fridays tend to be lighter (done by 6pm), so we're typically talking 60-hour weeks. Bad weeks go up to 70 or even 80 and can involve weekend work (although weekends, holidays, and vacations were generally protected from work).

This is intense, but very rewarding, as the learning curve is extremely steep.

### ***What's a typical day like as a partner at DeciBio?***

A typical day at DeciBio mirrors that of L.E.K. Consulting, but we are a bit more research and analysis focused here since we also publish market reports. While the firm might be similar, my role is quite a bit different. Since we are a small market research and consulting firm, I have many more roles to play.

On a typical consulting project, I am part Vice President (selling the project), part Manager (managing the client on a daily basis and thinking about the "answer" and how we will present it to the client), part consultant ("cracking the case" and directing the efforts of our associates) and part associate (conducting critical interviews and developing novel research and analysis). While I am more involved in all aspects of the case, our process here is much more efficient as we have a clearer line of sight to what we will deliver (given our expertise in the area) and less people involved in the "approval process" of the presentation (consultant, manager, multiple VPs), which creates many iterations at other firms.

Outside of casework, I am a market research report author, developing novel content on the industries we follow and as an owner of the business I think about how to build the business going forward.

### ***What advice would you give to graduate students & postdocs in science, who wish to make the transition into management consulting?***

First, you need to demonstrate that you are really

interested in management consulting and business versus viewing it as an alternative to an academic position. You will need a compelling answer to: "why leave bench science to come to consulting?" There are many ways to demonstrate interest in management consulting and business: join the consulting club at your university (many universities have an advanced degree consulting club and if they don't, then start one!), take business classes at your university, participate in consulting firms' introductory programs for PhDs (e.g., Bridge to BCG), participate in a business plan competition (ask people in the MBA program at your University for more information).

Second, learn how to nail a consulting case interview. In fact, nailing the case interview is really table stakes to receive an offer. It doesn't mean get to the right answer; sometimes there is no single right answer. The thought process of how you break down a vague case into structured pieces and steadily accumulate insights is what is being evaluated. The experience of how you solve the case with your interviewer is critical. Ultimately, your interviewer is trying to decide if the two of you get stuck in the office at midnight and something in the financial model isn't working, and there is a presentation to a Partner the next morning, can you work through the problem and both get some sleep that night? Is that the person I want on my team?

Third, you need to find a way to differentiate your application and demonstrate leadership and/or initiative. I did that through entrepreneurship. In this digital age, it may take less work than you think to start a business, or document your interest and expertise on a certain topic. Even something as simple as starting a blog (about something commercial that excites you) that generates ad revenues counts as a business, and establishes your "outside the box" desire to become a thought-leader or expert in a certain field. The experience will get you to think about the business world, and give you materials to talk about during your interview.

Fourth, try to get an inside contact at each of the firms you will apply to. Social media works well to identify these people. Just send a quick LinkedIn message to a consultant at company X, declaring your interest in their firm, and requesting a quick chat to pick their brain about their company and exciting trends in the market. Such contacts can help you in two different ways. One is that they can give you an insider's perspective on something that is truly unique about their company. You can also ask them to tell you about a project that they recently completed. You can then recycle that material for a tailored cover letter. In addition, most people will agree to usher your application to the hiring manager. This can improve your odds if that consultant can be your champion.

Finally, one last thought: if you are committed to getting into consulting, I would recommend applying to 20+ firms. It's competitive out there these days, especially in light of the current basic research funding environment.