About DOC (dropoutclub.org)

Our aspiration is to unite the global community of doctors, scientists and other biomedical professionals who seek to shape healthcare through innovative careers outside of traditional clinical and research tracks.

We focus on 3 specific objectives:

- Connect members with great opportunities that leverage their unique backgrounds and experience.
- Help employers rapidly source talent with highly specific biomedical and business experience.
- Facilitate the online and in-person exchange of ideas, insights and opportunities among our members.

Ultimately we hope that this will help improve the healthcare system by placing those who understand the real content of healthcare in leadership positions.

Contact us at contact@dropoutclub.org
## Consulting 101

### Contents

- Introduction
- What is consulting? What do consultants do?
- Landscape of consulting opportunities for PhDs
- Application and interview process
- Tips and tricks to land a job
- Consulting Interview Guide
Introduction

This presentation should provide

A clear understanding of consulting – what it is, why it is valuable and what different types exist

A familiarity with what opportunities are available for MDs and PhDs within consulting

An informed idea about how to pursue those opportunities and how to approach the application process
What is consulting?
The provision of external advice to organizations on a range of topics, such as strategy, organizational management, operations and technology.

What do consultants do?
- Deliver specialist expertise
- Fulfill short-term project needs
- Provide an objective outsider perspective
The consulting landscape

Some firms specialize in specific industries, functions; many advise clients in a range of industries on a range of functions.
“So … what do you actually do?”

“Move the needle by leveraging core competencies across a range of functional areas”
A Monday in the Life*

5:00 a.m.  Alarm goes off
5:08 a.m.  Snooze alarm goes off … shower, etc.
05:30 a.m.  Catch cab to airport
06:10 a.m.  Make it through security
06:15 a.m.  Board plane, inflate travel pillow, fall back asleep
8:15 a.m.  Land, grab a coffee & muffin
9:10 a.m.  Arrive at client site, get settled in, chat with EM, do email
9:30 a.m.  Phone interview with industry expert
10:30 a.m.  Pop into office of client team member, convince them to email you key set of data
11:00 a.m.  Type up notes from interview, send email to team summarizing “key takeaways” in three “clunk points”
11:45 a.m.  Talk to EM about progress on interview portion of workstream
12:00 noon  Lunch in cafeteria
12:25 p.m.  Get coffee on way back to team room
12:30 p.m.  Do email
1:00 p.m.  Problem-solving session on modeling portion of workstream with EM
2:45 p.m.  Quickly write up 2 pages on outcome of problem-solving session, fax them to India
3:15 p.m.  Get coffee with BA
3:30 p.m.  Discuss latest episode of “Beauty and the Geek” with team
3:57 p.m.  Get pages back from India, proofread and send to entire team
4:00 p.m.  Join team call
4:08 p.m.  AP, ED, and DCS join team call
4:15 p.m.  Conclude “chit chat” portion of team call. Discuss 2 pages from your 3:57 p.m. email but “talk them through it” because AP and DCS are in cabs and occasionally interject comments such as “Turn left here”
5:00 p.m.  Discuss outcome of team call with EM and agree on “next steps” for modeling portion of workstream: finalize the overall approach
5:45 p.m.  Call spouse to say hello and that you will call again after the team dinner
6:00 p.m.  Call second-round candidate for next year’s associate class, answer questions about “a day in the life”
6:30 p.m.  Do email
6:55 p.m.  Work with EM to plan out a set of pages for tomorrow’s 9 a.m. client meeting on overall approach to model
7:30 p.m.  Team dinner with ED (who arrives direct from airport)
9:30 p.m.  Check into hotel
9:45 p.m.  Arrive at room, talk to spouse on Bluetooth headset while unpacking
10:00 p.m.  Write up pages for tomorrow’s 9 a.m. meeting
10:20 p.m.  Fax pages to India with deadline of following morning at 7 a.m.
10:30 p.m.  Watch TV, do personal email, relax, etc.
11:45 p.m.  Call spouse yet again to say goodnight. Fall asleep

*High degree of variability exists day-to-day, week-to-week, and study-to-study – if you can learn to expect and enjoy it, then it can be part of the fun of the job.
Typical consultant team-client structure

Client
- Review recommendations and drive change
- Direct project specifics and liaise with steering committee
- Chosen from up-and coming middle managers – participate in day-to-day work

McKinsey
- Advises committee
- Directs overall project, defines issues with senior clients, and ensures quality
- Oversees day-to-day project execution
- Collect and analyze data and work on specific project pieces
- Associates / BAs generally work on one project at a time

Steering committee
- Client Senior Management
- DCS
- ED
- EM/AP

Extended McKinsey support team
- Global advisory group
  - Industry experts
  - Functional experts
- Global advisory group
  - Research & info specialists
  - Communication specialists
- Global advisory group
  - Report production specialists
  - Administrative support

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## Comparison of potential opportunities by size of firm: Illustrative life science example

<table>
<thead>
<tr>
<th>Type</th>
<th>Client examples</th>
<th>How to get the job</th>
<th>Career implications</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Boutique</strong></td>
<td>Early-stage companies</td>
<td>▪ Know someone to hear about job</td>
<td>▪ Great exposure early in career</td>
</tr>
<tr>
<td><strong>Niche industry-specific</strong></td>
<td>Mid-size firms</td>
<td>▪ Network to get referral</td>
<td>▪ Ability to develop deep technical expertise</td>
</tr>
<tr>
<td><strong>Scientia Advisors</strong></td>
<td></td>
<td>▪ Informational interviews</td>
<td>▪ More hands-on work with clients</td>
</tr>
<tr>
<td><strong>General mgmt. consulting</strong></td>
<td>Large corporations</td>
<td>▪ Apply through established channels</td>
<td>▪ Longer project times</td>
</tr>
<tr>
<td><strong>BCG</strong></td>
<td>Size / commissions</td>
<td>▪ Summer/weekend programs</td>
<td>▪ Opportunity for impact at scale</td>
</tr>
<tr>
<td></td>
<td></td>
<td>▪ Bolster resume</td>
<td>▪ Best exit opportunities</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>▪ Largest lifestyle tradeoffs</td>
</tr>
</tbody>
</table>
Healthcare consulting firms

There are a ton!!
For more detailed list go to: consultingbench.com

- Navigant Consulting (~3000)
- ClearView Healthcare Partners (~80)
- L.E.K. (~1500)
- Defined Health (~30)
- Trinity Partners (~160)
- AcSed (~5)
- Bionest Partners (~150)
### What consulting firms are looking for

#### How firms serve clients

- Help clients develop strategies and make decisions in challenging situations
- Work with client management to overcome obstacles and achieve outstanding results
- Bring the best expertise to clients through effective teams, including firm experts

#### What firms look for

- Ability to solve tough problems
- Ability to set and achieve challenging goals
- Ability to impact outcomes and influence others
- Ability to build long-term relationships with clients and colleagues
3 Key Metrics

- How have you demonstrated leadership and fostered effective teamwork, especially in complex situations with many stakeholders?

- How have you demonstrated impact while working with a wide range of individuals in difficult settings?

- How have you demonstrated distinctive achievement, especially in challenging situations (e.g., while handling multiple stakeholders, on tight deadlines)?
# Tips and tricks for the application process

<table>
<thead>
<tr>
<th>Submit application</th>
<th>Pre-interview assessment</th>
<th>Interviews</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Submit resume and cover letter</td>
<td>▪ Some firms require candidates to take assessments (e.g., McK’s 60 min. PST followed by 30 min. group case)</td>
<td>▪ At most firms, interviews are one hour: ½ case, ½ personal experience</td>
</tr>
<tr>
<td>▪ Some firms ask for responses to prompts</td>
<td></td>
<td>▪ Typically 2 rounds, w/ 2-4 interviews per round: 1st conducted by junior consultants; 2nd by partners</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Winning strategies</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Description</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>▪ Know the context of the position you are applying for</td>
<td>▪ Tackle the problem right ahead of you</td>
<td>▪ Weight interview prep appropriately</td>
</tr>
<tr>
<td>▪ Make your achievements come alive</td>
<td>▪ Develop a strategy appropriate to the assessment</td>
<td>▪ Understand your goal in the interview</td>
</tr>
</tbody>
</table>
Consulting Interview Guide

Contents

- Context of the interview
- Nail the Fit
- Ace the Case
### What consulting firms are looking for

<table>
<thead>
<tr>
<th>How firms serve clients</th>
<th>What firms look for</th>
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</thead>
<tbody>
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<td>Help clients develop strategies and make decisions in challenging situations</td>
<td>Ability to solve tough problems</td>
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<td>Work with client management to overcome obstacles and achieve outstanding results</td>
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<tr>
<td>Bring the best expertise to clients through effective teams, including firm experts</td>
<td>Ability to impact outcomes and influence others</td>
</tr>
<tr>
<td></td>
<td>Ability to build long-term relationships with clients and colleagues</td>
</tr>
</tbody>
</table>
The consulting application process

- Submit resume and cover letter
- Some firms ask for responses to (e.g., McK on personal impact)

- Submit application

- Pre-interview assessment
  - Some firms require candidates to take assessments (e.g., McK’s 60 min. PST followed by 30 min. group case)

- Interviews
  - At most firms, interviews are one hour: ½ case, ½ personal experience
  - Typically 2 rounds, w/ 2-4 interviews per round: 1st conducted by junior consultants; 2nd by partners
The components of a consulting interview

1. Intro / Small Talk: 3-5 mins
2. Personal Experience (“Fit”): 5-15 mins
3. The Case: 30-45 mins
4. Questions: 3-5 mins
The Meat of the Interview: Case and Fit

<table>
<thead>
<tr>
<th>Case interview</th>
<th>Description</th>
<th>Objective</th>
<th>Description</th>
<th>Objective</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Discuss a business problem that reflects challenges consultants typically face</td>
<td>To assess your problem solving skills by having you think through and discuss a real-world consulting problem</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Experience (“Fit”) interview</td>
<td>Discuss examples of your past achievements in detail</td>
<td>To assess non problem-solving skills that are critical for success as a consultant by asking how you have displayed these capabilities in a challenging situation in the past</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
What are interviewers looking for

### The Consulting Reality
- Complex problems
- Demanding hours
- Changing priorities
- Teamwork / new teams
- High impact

### The Interviewer’s Checklist
- Does the candidate have:
  - Drive, motivation
  - Flexibility
  - Analytical ability
  - Quantitative skills
  - Communication skills
  - Maturity
  - Leadership skills and potential
- Will the candidate enjoy consulting?
- Do I want to work with this person?
## Consulting Interview Guide

### Contents

- Context of the interview
- **Nail the Fit**
- Ace the Case
The Personal Experience “Fit” interview

Do’s
- Discuss your CV and personal achievements
- Understand your motivations and communication style
- Why do you want to become a consultant?
- Why with our firm?

Don’ts
- Don’t just repeat what’s on paper
- Don’t be arrogant
- Don’t be too nervous

Does the candidate fit into our team and culture?
- Do I want to work with this person / spend long hours in the same room?
- Can the candidate represent our firm in front of clients?

Discuss your CV and personal achievements
Add interesting details and personal experiences
Be prepared to answer questions about your CV
Understand your motivations and communication style
Why do you want to become a consultant?
Why with our firm?
What interviewers are looking for in the fit interview

- How have you demonstrated leadership and fostered effective teamwork, especially in complex situations with many stakeholders?

- How have you demonstrated impact while working with a wide range of individuals in difficult settings?

- How have you demonstrated distinctive achievement, especially in challenging situations (e.g., while handling multiple stakeholders, on tight deadlines)?

SOURCE: McKinsey
Practice suggestions for the Personal Experience “Fit” interview

<table>
<thead>
<tr>
<th>Leadership</th>
<th>Impact</th>
<th>Achievement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Demonstrate inspiring, effective leadership in challenging team situations</td>
<td><strong>Influence</strong> people over whom you have no personal authority</td>
<td>Show a passion for setting <strong>challenging goals</strong> and <strong>achieving</strong> them in a practical way</td>
</tr>
</tbody>
</table>

**Key tips**

<table>
<thead>
<tr>
<th>Prepare thoroughly</th>
<th>Choose challenging situations</th>
<th>Highlight individual actions</th>
<th>Structure your stories</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identify several stories for each skill</td>
<td>Difficult goals</td>
<td>What you did (not the team)</td>
<td>Share major themes/”chapters”</td>
</tr>
<tr>
<td>Recall specifics of each story</td>
<td>Difficult personalities</td>
<td>How you made an impact</td>
<td>Build down to the details</td>
</tr>
</tbody>
</table>

**SOURCE:** McKinsey
Tips for preparing for experience interviews

- Can be professional, extracurricular, or personal
- Should be challenging examples where you were stretched in order to best demonstrate your ability
- Should have an example per broad skill area - achieving, personal impact and leadership - to discuss in varying contexts (at least 3 different examples)

SOURCE: McKinsey
# Anatomy of a strong fit interview answer

<table>
<thead>
<tr>
<th>What it is</th>
<th>Context</th>
<th>Conflict</th>
<th>Resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>When was this?</td>
<td></td>
<td>The personal conflict</td>
<td>The closing of the story</td>
</tr>
<tr>
<td>Who was involved?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>What did they do?</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>% of time</td>
<td>20%</td>
<td>79%</td>
<td>1%</td>
</tr>
<tr>
<td>Winning execution</td>
<td>Crystal clear who the main players are and what motivates them</td>
<td>It feels real !!</td>
<td>Maximum of 2 sentences</td>
</tr>
<tr>
<td></td>
<td>I know who and where you are</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
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<td></td>
</tr>
</tbody>
</table>
How to prepare

Best advice we can give

- Have 4 stories
  - When you led
  - When you were managed
  - When you had conflict with someone at the same level
  - One other

- Practice with others
### Consulting Interview Guide

#### Contents

- Context of the interview
- Nail the Fit
- Ace the Case
What types of cases should I expect?

Examples
- Market entry
- Product innovation
- Competitive response
- Reaction to changing market conditions
- M & A activities
- “Blue sky” strategy
- …

- Often based on real cases
- Often a part of a more complex problem
- No one-size-fits-all solutions
- Often include a strategic and a quantitative part
What are interviewers looking for in the case?

- Structuring of tough business problems
- Logical reasoning
- Basic numerical competence
- Tolerance for ambiguity
- Ability to synthesize
- Creativity

- Basic business sense
- Prioritization
- Understanding of implications of decisions

- Making conclusions and recommending actions
- Good listening skills
- Insightful questions
- Clear explanation of complex ideas during problem solving
Sample Case Scoring Rubric

Each question is graded along a rubric similar to this and scores are summed at the end of a case.
# Techniques and tips for case interviews

<table>
<thead>
<tr>
<th><strong>Listen to the problem</strong></th>
<th>• Make sure you are answering the question that you have been asked. Begin by setting a structure. Think of four to five sub-questions that you need to answer before you can address the overall issue</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Stay organized</strong></td>
<td>• When discussing a specific issue, remember why you are discussing it and where it fits into the overall problem</td>
</tr>
<tr>
<td><strong>Communicate your train of thought clearly</strong></td>
<td>• If you have considered some alternatives and rejected them, tell the interviewer what and why</td>
</tr>
<tr>
<td><strong>Step back periodically</strong></td>
<td>• Summarize what you have learned and what the implications appear to be</td>
</tr>
<tr>
<td><strong>Ask for additional information when you need it</strong></td>
<td>• But make sure that the interviewer knows why you need the information</td>
</tr>
<tr>
<td><strong>Stay calm, cool and collected!</strong></td>
<td>• Treat it like a fun exercise, not a life or death situation...because it’s not 😊</td>
</tr>
</tbody>
</table>
Wait, math without a calculator?!

What are interviewers looking for?

• How you recognize relationships between numbers and set up equations
  – What are we solving for?
  – Do I have the information I need?

• Comfort with simple math calculations

• Ability to estimate; make reasonable approximations

• “Feel” for the numbers (e.g. does the order of magnitude in your answer make sense)

What advice do you have?

• Explain process/equation in words before diving into the calculations

• Use round numbers where possible

• Do “back of the envelope” calculations to sanity check answers

• Resist the temptation to do all math in your head – numbers on paper are helpful, especially to check your work

• Get comfortable with shortcuts – long division can take a long time!

• Keep track of your zeros!
Practice, practice, practice!

The best thing you can do to prepare for any interview is to practice aloud with others.
Let’s try a case together
Step 1: Clarify the problem and understand what success means

- MedVision is a European medical imaging company with most of its business in traditional analog imaging (X-rays using film, etc)

- MedVision’s CEO has asked us to help them diagnose the cause of a recent decline in profitability and suggest some initial actions to deal with the problem

What questions would you ask to clarify the context and criteria for success?
Example problem definition

Basic question to be resolved
- What is causing MedVision’s decline in profitability and what can they do about it?

1. Perspective / Context
- MedVision sells 98% traditional analog imaging products, with the rest of their business in hi-tech digital imaging (not requiring film)
- Digital Imaging is growing quickly and will be the majority of their business within 15 years
- There are three other players in the European medical imaging market – there has been no new recent entrant

2. Criteria for success
- Clear diagnosis of the cause of the profitability decline
- Clear actionable recommendations for remedial measures
Problem solving approach

- **Goal**
  - Understand question

- **Tips**
  - Listen carefully
  - Ask questions
  - Paraphrase to confirm
Step 2: Take time to structure the problem so you can use that structure to solve it

Where would you look to determine the causes of MedVision’s decline in profitability? How would you structure that problem?
What is causing MedVision recent decline in profitability?

Has revenue declined over the recent past?

Have they sold fewer products?
Has the average price of their products declined?

Have MedVision’s operating costs increased recently?

Have variable costs (per unit) increased (e.g., raw materials, labor, production, etc.)?

Has there been a recent increase in fixed costs (e.g., sales costs, research and development costs for digital, etc.)?
# Problem solving approach

<table>
<thead>
<tr>
<th>Clarify</th>
<th>Structure</th>
<th>Analyze</th>
<th>Conclude</th>
</tr>
</thead>
</table>

## Goal
- Understand question
- Agree on major points of inquiry
- Explain how you would think through solving problem at hand

## Tips
- Listen carefully
- Ask questions
- Paraphrase to confirm
- Describe your overall approach (do not dive into details straight away)
- Keep it simple
- Use a framework if appropriate
Step 3: Dive deeper into one specific branch of the issue tree

What is causing MedVision recent decline in profitability?

- Has revenue declined over the recent past?
- Has the average price of their products declined?
- Have they sold fewer products?
- Have MedVision’s operating costs increased recently?
- Have variable costs (per unit) increased (e.g., raw materials, labor, production, etc.)?
- Has there been a recent increase in fixed costs (e.g., sales costs, research and development costs for digital, etc.)?
Step 3:
Dive deeper into one specific branch of the issue tree

What is causing MedVision's recent decline in profitability?

Has revenue declined over the recent past?

Has the average price of their products declined?

Have they sold fewer products?

Have variable costs (per unit) increased (e.g., raw materials, labor, production, etc.)?

Has variable costs (per unit) increased (e.g., raw materials, labor, production, etc.)?

Has there been a recent increase in fixed costs (e.g., sales costs, research and development costs for digital, etc.)?
Step 3: Dive deeper into one specific branch of the issue tree

The Analog business sells three types of products

- **Machines and Equipment**: There are hundreds of types of all different shapes and sizes. Revenue last year in this category was $800m, and 32,000 units were sold.

- **Consumables**: This is mainly the film used in the machines and equipment. There are thousands of different types. Revenue last year in this category was $2.5b, and 500m units were sold.

- **Service**: These are service contracts where an annual fee is paid in return for maintenance of the machine. Revenue last year in this category was $100m and 200,000 units were sold.

The team suspects that there has been a worrying price decline in one of these categories.

Which category would you investigate first? Then determine the average percentage price decline over ten years in this category.
Example analysis

What has happened to the average price of consumables in the last 10 years?

Info given
• Last year, MedVision sold $2.5b in Consumables
• Last year MedVision sold 500m units of consumables

Need info from 10 years ago
• Revenue in consumable has grown by 25% in the last 10 years
• Units sold have grown by 66% in the last 10 years

Price has declined by 25%
• Average price last year was $5 (= $2.5b/500m)
• Revenue 10 years ago was $2bn (= $2.5b/125%)
• Unit volume 10 years ago was 300m (= 500m/166%)
• Average price 10 years ago was $6.66 (= $2b/300m)
• Price decline is 25% (= $1.66/$6.66)
So you did some math. So what?!

Hypothesize potential causes for what you just calculated

Then drive insights: what is the “so what?” Why does what you just calculated matter?

In this example: what areas would you want to investigate to determine the causes of this price decline in consumables?
Problem solving approach

<table>
<thead>
<tr>
<th>Clarify</th>
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</table>

**Goal**
- Understand question
- Agree on major points of inquiry
- Explain how you would think through solving problem at hand
- Gather/analyze facts
- Further develop your hypothesis towards an answer

**Tips**
- Listen carefully
- Ask questions
- Paraphrase to confirm
- Describe your overall approach (do not dive into details straight away)
- Keep it simple
- Use a framework if appropriate
- Agree on priority issues
- Make estimations
- Work together (ask questions, watch for hints)
- Move quickly from facts/observations to implications

Clarify Structure Analyze Conclude
Step 4: Make a recommendation

You bump into the CEO in the elevator. She realizes you’re only two weeks into the project, but she wants to know what you think the answer is.

What is causing MedVision’s profitability decline?

What should they do about it?
Example conclusion

• Since analog is a declining industry and is being replaced by digital, some degree of profitability decline is inevitable

• MedVision should look to slow this decline as much as possible

• Controlling prices of their products is key, they should look to
  – Improve the behavior of their sales force (e.g., through providing incentives, training, and tools)
  – Look to command a higher price by providing greater services to their customers, the hospitals (e.g., through offering services, bundling and loyalty deals, or help moving to digital)
Problem solving approach

**Goal**
- Understand question
- Agree on major points of inquiry
- Explain how you would think through solving problem at hand
- Gather/analyze facts
- Further develop your hypothesis towards an answer
- Develop recommendations

**Tips**
- Listen carefully
- Ask questions
- Paraphrase to confirm
- Describe your overall approach (do not dive into details straight away)
- Keep it simple
- Use a framework if appropriate
- Agree on priority issues
- Make estimations
- Work together (ask questions, watch for hints)
- Move quickly from facts/observations to implications
- Take a stand
- Synthesize your answers
- Discuss tradeoffs
- Relate back to original question
Practice suggestions for case interviews

Throughout your case interview
- **Listen**, take notes, and **ask** for clarification
- **Guide** your interviewer through your thought process

Structure your answer
- Build a multi-level structure
- Offer a comprehensive set of ideas/issues
- Ensure your approach is tailored to the case

Push for implications
- Relate everything back to the overall question
- Highlight connections and inter-dependencies

Show creative solutions
- Go beyond the obvious
- Use common sense
- Challenge assumptions

Synthesize and make recommendations
- **Synthesize** key insights
- Give your **answer first**, then provide supporting arguments
- Be **crisp and concise**