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Student-consultants: cut-price advice from campuses - *By Jon Marcus*

When a venture capital firm bought a company about to launch a new biomedical device, the firm took the familiar approach of paying outside consultants to help evaluate the deal.

However, there was nothing conventional about this consulting team. The group was made up of undergraduate and graduate students from the W. P. Carey School of Business at Arizona State University, one of a small but growing number of US institutions turning students into consultants and charging clients for the privilege of receiving their advice. The Carey School's New Venture Group is structured like a professional consulting firm "and we function in the same way", said Daniel Brooks, an associate professor who runs the programme.

"The idea is, these aren't students, they're consultants. They're really working for our client. It's not a library project; it really is a collaboration. They meet with the clients, they manage the relationship and they produce a project."

Under the model, which a handful of other business and engineering schools are also testing, the consulting arms are self-sustaining. Students can make money and work their way up to permanent jobs, while the clients have a pool of potential employees and receive consulting services at a fraction of the price they would pay to hire professional consultants.

The timing is also good. US companies are increasingly reliant on outside consultants and the market – which, according to Plunkett Research, is worth \$180 billion (£121.6 billion) – is growing at nearly double-digit rates. Student consultants cost about \$50 an hour, roughly a third of what professional consulting firms charge.

Dave Boissevain, senior director of sales strategy and planning for the PepsiCo snack-food division Frito-Lay, said he did not have particularly high expectations when he hired student consultants from Neeley and Associates, a consulting firm set up by the Neeley School of Business at Texas Christian University in Fort Worth. Yet Mr Boissevain was pleasantly surprised. "I didn't anticipate any big payback in terms of business insights, but I think it has developed into that," said Mr Boissevain, who asked a team of students to devise ways of promoting single bags of snack foods in space-constrained convenience stores.

Word of mouth is the reason why the Carey School was approached by 60 prospective clients last year, Professor Brooks said. The school agreed to work with 15 of them.

"The demand for services far outstrips our ability to respond," he said. "It all of a sudden dawned on companies that they can get a team that's focused, motivated and educated, and who, six months from now [after the students graduate], they couldn't afford."

Neeley and Associates' student consulting teams, backed by staff and "coaches" from professional consulting firms including Accenture and Deloitte, have also worked with large companies such as Nike, Bell Helicopter, Lockheed Martin, Sony, Boeing and Texas Instruments. Neeley and Associates charges about \$13,000 per project.

"What the students are learning is client relationships," said Ed Riefenstahl, the school's director of experiential learning and a former KPMG consultant. "For the rest of their lives they're going to be dealing with internal and external clients."

In turn, those clients are exposed to potential employees. Mr Boissevain has hired some students as interns and one in a full-time role, while a former Neeley student secured an internship at Bell Helicopter through the programme.

“They’re getting to see talent in action,” Mr Riefenstahl said.

After Nicholas Amoroso took part in a consulting job at the Carey School, he went on to an internship at KPMG in Malaysia where his experience helped him secure the lead role in a project overseeing other interns. “It gives you a head start if you’re going to go into anything that requires solving problems,” Mr Amoroso said. “Satisfying the client is a bigger motivation than a grade.”

His classmate at the Carey School, Leah Fiacco, added, “We don’t even have degrees yet, and sometimes we work with chief executives. Before this, I would have been incredibly intimidated.”

That is the point, said Elizabeth Hagerman, vice-president in charge of Rose-Hulman Ventures, the engineering consulting spin-off of Indiana-based Rose-Hulman Institute of Technology. Rose-Hulman Ventures brings in \$1.5 million a year from as many as 40 clients. “The students can come here and get work experience with clients,” Dr Hagerman said. “The students feel really accountable for the client’s success.”

They also may propose some novel ideas: “You’ve got a student whose mind really isn’t constrained yet by some of the classical schooling you get in the engineering curriculum, who might have more of an open mind in suggesting solutions,” Dr Hagerman said. “They don’t know what they don’t know, so they’re not afraid to suggest something other people might dismiss.”

In Fort Worth, Mr Riefenstahl has another idea for a consulting project: helping other universities develop similar programmes.

“This is going to be a trend a lot of universities look into,” Professor Brooks added.



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A Day in the Life of a Neeley Student - By Sierra Tuthill

Aspiring business majors have a whirlwind of success and stress sophomore year.

After pre-business students find out if they are accepted into the prestigious **Neeley School of Business**, the real work begins.

TCU’s Neeley School of Business is ranked No. 27 in the Top 50 Best Undergraduate Business Schools, according to Bloomberg Businessweek magazine.

Before getting accepted into **Neeley**, students must pass a four-part Microsoft Office certification test and maintain a 3.0 GPA.

This spring TCU admitted 415 students to the business school. The students were admitted contingent upon successful completion of courses in progress and successful completion of other admission requirements due by July 24, Assistant Dean Lynn Muller said.

Then the group projects begin. Three out of the four required classes include a group project.

Sophomore business student Selina Rodriguez said the supply chain class analyzes the step-by-step process concerning how to get ingredients from the manufacturer to the retailer. In the marketing class, groups get together and create promotional strategies that a business can implement to increase their marketing and brand awareness, Rodriguez said.

In the foundations of business class, students have to work in their group and run a company against competitors, which forces them to make strategic decisions on how they want to handle their products due to the adapting market.

“In these classes we learn how to deal with real life scenarios,” Rodriguez said. “We have to analyze and dissect what we have learned in lectures and apply our knowledge to the situation and project.”

Not only do students have to complete and present the projects, but they also have to find a time that works for everyone’s schedule to meet and plan.

“It takes a lot of coordinating with busy schedules when you are preparing for a group presentation, seeing as everyone is involved in multiple groups at TCU. But being the students we are, we always seem to make it work,” sophomore **Neeley Fellow** Jordan Sheppard said.

As deadlines quickly approach, students vent about their rising stress levels.

“My stress level is typically a three [out of 10]. Currently I’m at an eight because I have two projects to present tomorrow, a meeting and a test,” sophomore business student Kristy Charron said. “Basically I just feel like I am constantly going and preparing for the next thing and I don’t have time to take a breather.”

Rodriguez said she spends five out of her 10 free hours after class working on business homework.

Since the end of the semester is approaching and group project deadlines are the week before finals, she spends approximately eight hours a night working on homework for the major.

“I only take a break from studying when I eat lunch and dinner,” Rodriguez said.

Neeley School undergraduates have a 91 percent job placement rate and make an average starting annual salary of \$55,000 after graduating, according to the Neeley website.