

Real Intelligence vs. Artificial Platforms: What Gartner's New Magic Quadrant Reveals About Consulting's Identity Crisis

Recently, I wrote about consulting firms' anxious relationship with AI and used the term "Real Intelligence". I made the comment that human judgment and contextual expertise come from actually doing the work. Last week, Gartner published its inaugural Magic Quadrant for Digital Technology and Business Consulting Services, which perfectly illustrates the industry's identity crisis.

What Gartner Actually Measures

This isn't a report about consulting quality. It's a buyer's guide for Fortune 500 executives evaluating partners for expensive transformations. The criteria for inclusion: \$1B+ in revenue, global delivery across 6 continents, and proprietary AI platforms that "codify" consulting into software.

Here's what's NOT measured: the quality of senior engagement, the depth of expertise in specialized domains, or the value delivered per dollar for companies outside the Fortune 500.

The Buried Truth

The most revealing parts are Gartner's own cautions about the "Leaders":

On delivery quality: Several leaders face "challenges in delivering a uniform, high-quality client experience across all engagements, particularly as they scale operations."

On platform complexity: By design, most big firms offer volume as an advantage, but continually introducing "new assets" creates what Gartner describes as challenges for "clients to fully comprehend, apply and maximize their value." Translation: tool proliferation as a feature, not a bug.

On sole-sourced vs. competitive work: While strategy firms maintain 80-85% sole-sourced rates (clients seeking them out directly), most global systems integrators win the majority of work through competitive RFPs. This is a transactional arrangement, not a trusted advisor relationship.

On commercial models: Despite all the AI platform hype and talk of "outcome-based pricing," only 10% of deals actually use gain-sharing models. The rest? Traditional time-and-materials.

The Consulting Bifurcation

The industry is splitting into two paths:

Path 1: Consulting as Software, where we codify everything into AI platforms. We scale through global delivery centers and compete on "IP activation" and proprietary tools.

Path 2: Consulting as Craft, where we build judgment through experience. We stay specialized and senior experience and wisdom heavy. We compete on depth and trusted relationships. We know the industry, the client, and the business deeply and personally. Crafting solutions versus implementing tools.

Both have their place. But Gartner only measures Path 1.

What This Means

In my 25+ years across consulting firms, I've learned that the problems keeping executives awake can't be solved by a single technology solution. When you're doubling company size, navigating PE value creation plans, or making critical decisions, you need someone who's done the work and lived with the consequences.

That's what I meant by Real Intelligence. It's contextual, relational, and earned through scar tissue. It can't be fully codified into an AI agent, delivered through standardized frameworks, or learned from a textbook.

The Magic Quadrant measures scale and platforms. Maybe someday there will be a Magic Quadrant for consultants who compete on judgment over tools, relationships over RFPs, and wisdom over AI agents.

But I'm not holding my breath. Real Intelligence is difficult to benchmark, and resists the very categorization that makes a Magic Quadrant possible.

Which is exactly why it matters.

If your biggest challenge can be solved by a proprietary platform and a global delivery center, the Leaders are excellent choices. If it requires someone who's done the work and bears the scars to prove it, you might need to look beyond the quadrant.

Hard skills get you started. Real Intelligence takes you the rest of the way.