Artificial Intelligence and Digital Technology

Article

The Application Boundaries and Efficacy Evaluation of AI Technology in Enterprise Strategic Consulting — Based on Data from 100 + Enterprise Projects

Chongguang Zhu [1,*]

[1] Shanghai Yangao Enterprise Management Co., Ltd., Shanghai, China
* Correspondence: Chongguang Zhu, Shanghai Yangao Enterprise Management Co., Ltd., Shanghai, China

Abstract: With the ongoing digital transformation of the global strategy consulting industry, artificial intelligence (AI) technologies are increasingly permeating various stages of consulting projects, becoming essential tools for improving efficiency and solution accuracy. Drawing on data from more than 100 corporate strategy consulting projects, this paper systematically evaluates the boundaries and effectiveness of AI applications in strategic consulting. The findings reveal that AI significantly shortens project cycles (by an average of 15%–30%) and enhances solution accuracy (by an average of 10%–20%) in areas such as data-intensive analysis, standardized solution generation, and risk assessment. However, complex strategic judgment, understanding of corporate culture, and client relationship management remain highly dependent on human expertise, highlighting the clear boundaries of AI's applicability. This study further explores how AI reshapes the competency model of consultants, emphasizing digital literacy and proficiency in AI tools as emerging core competitive advantages, and offers insights for both enterprises and policymakers. The research not only underscores the practical value of "digitally driven consulting", but also demonstrates the originality of data-driven analytical methods, providing useful references for the future development of strategic consulting.

Keywords: AI technology; strategic consulting; application boundaries; effectiveness evaluation; digitally driven consulting; project cycle reduction; solution accuracy

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1. Introduction

Driven by the forces of globalization and digital transformation, the strategic consulting industry is undergoing unprecedented change, with organizations facing increasing pressure to deliver faster, more precise, and data-informed recommendations. Artificial intelligence (AI), leveraging its strengths in large-scale data processing, pattern recognition, predictive analytics, and scenario simulation, has begun to permeate multiple stages of consulting projects—from initial market research and financial modeling to strategy simulation and risk assessment. AI not only improves execution efficiency but also enhances the accuracy and consistency of consulting solutions, reducing reliance on time-intensive manual analysis and enabling consultants to focus on higher-value strategic thinking. However, questions remain within both academia and industry regarding the true scope of AI's impact in consulting, as well as the specific areas where its capabilities encounter clear limitations. While AI can handle structured, repetitive, and data-intensive tasks effectively, human expertise continues to be indispensable for tasks requiring strategic judgment, nuanced understanding of organizational culture, and management of interpersonal client relationships.

Drawing on data from over 100 corporate strategy consulting projects across industries such as finance, retail, manufacturing, and technology, this paper seeks to address

two core research questions. First, where are the boundaries of AI applications in strategic consulting, and which tasks are best suited for automation or augmentation? Second, to what extent can AI enhance consulting effectiveness, measured in terms of project cycle reduction, improvement in solution accuracy, and client satisfaction? The study aims to provide a quantitative, evidence-based assessment of AI's value within consulting projects, while also offering practical and strategic insights for the continued evolution of the consulting industry.

The originality of this research lies in its combination of large-scale empirical data with detailed case analyses, bridging the gap between theoretical discussions and real-world consulting practice. By systematically analyzing how AI is applied across diverse project contexts, the study not only illuminates the emerging trend of "digitally driven consulting" but also highlights practical lessons for consultants, clients, and policymakers seeking to harness AI responsibly and effectively. Furthermore, the research underscores the complementary relationship between AI and human expertise, demonstrating how AI can enhance performance without supplanting the judgment, creativity, and relational skills that remain core to successful strategic consulting.

2. Industry Context and Research Methodology

Existing studies on the intersection of artificial intelligence (AI) and consulting have primarily focused on either descriptive discussion of specific technologies or isolated case analyses, often emphasizing theoretical capabilities rather than practical outcomes. For example, prior research has suggested that AI can support market research, financial modeling, and preliminary risk assessments. While these studies demonstrate AI's potential to assist consultants in data collection and analysis, systematic evaluations of its overall effectiveness across complex consulting projects remain limited. This gap is particularly evident in strategic consulting, where projects are inherently multi-dimensional, highly contextualized, and often involve simultaneous consideration of market trends, organizational dynamics, and stakeholder preferences. In such settings, AI's impact cannot be fully captured through anecdotal evidence or qualitative descriptions alone, highlighting the need for a rigorous, evidence-based assessment framework.

The empirical foundation of this study draws on a dataset of over 100 corporate strategic consulting projects, spanning industries such as finance, retail, manufacturing, and technology. Participating firms range from small and medium-sized enterprises (SMEs) to large multinational corporations, ensuring that the findings are broadly representative of different consulting contexts. This diversity allows the research to account for variations in organizational scale, sector-specific operational challenges, and the complexity of project deliverables, thereby enhancing the robustness and generalizability of the conclusions. For example, AI-assisted market analysis in a retail SME may focus on consumer trend prediction using limited data, whereas in a multinational manufacturing project, AI might be applied to simulate supply chain scenarios across multiple geographies, demonstrating different scales and operational complexities.

The study focuses on three key performance indicators that directly capture the tangible outcomes of AI integration in consulting projects: (1) the percentage reduction in project cycle time, (2) improvements in solution accuracy, and (3) changes in client satisfaction levels. These metrics were chosen because they reflect both provider efficiency and client-perceived value, encompassing quantitative, qualitative, and operational dimensions of consulting effectiveness. To evaluate these indicators, the research adopts a mixed-method approach combining comparative quantitative analysis with detailed case studies. The performance of AI-driven consulting is systematically contrasted with that of traditional, human-led consulting, while selected project cases are analyzed in depth to illustrate the mechanisms through which AI generates value—such as accelerated data processing, scenario modeling, and predictive risk assessment—and to highlight areas

where human expertise remains critical, including strategic judgment, cultural understanding, and client relationship management.

By integrating quantitative evidence with qualitative insights, this methodological framework provides a balanced, comprehensive perspective on the role of AI in strategic consulting. It ensures that measurable outcomes, such as time savings and accuracy improvements, are contextualized within the nuances of real-world projects. Moreover, this approach allows researchers and practitioners to identify not only the strengths of AI applications but also the boundaries where human judgment, creativity, and relational skills continue to be indispensable, offering actionable guidance for effective AI adoption in consulting practice [1].

3. Applications and Boundaries of AI in Strategic Consulting

The findings of this study suggest that AI delivers tangible value in several practical areas of consulting projects.

First, AI proves highly effective in data-heavy analytical tasks. In market research or financial modeling, consultants often spend weeks collecting, cleaning, and synthesizing data from multiple sources. AI tools can automate much of this work, rapidly scanning public databases, industry reports, and client-provided documents to identify trends and anomalies. For example, in a financial services risk assessment project, AI-based data pipelines completed the data consolidation and modeling process roughly 40% faster than traditional manual approaches, while also highlighting correlations between credit default patterns and external market shocks that human analysts initially overlooked.

Second, AI adds value in standardized solution generation and scenario modeling. Many consulting projects require generating variations of similar deliverables, such as benchmarking reports, cost-reduction roadmaps, or entry-strategy simulations. AI systems can quickly generate multiple versions of these outputs, drawing from historical project databases and market trend data. In one retail sector project, AI-generated demand forecasts helped simulate three different store expansion strategies. Although human consultants ultimately refined the recommendations, the AI-assisted simulations provided a clear starting point that reduced iteration time and improved the credibility of the final recommendations [2].

Third, AI has shown strong potential in real-time risk monitoring and early-warning functions. In industries with fast-changing dynamics, such as technology and energy, AI systems can track competitor announcements, regulatory changes, or shifts in commodity prices, automatically flagging issues that might affect a client's strategic choices. For instance, during a manufacturing project, an AI monitoring tool identified early signs of supply chain disruption in a key supplier region weeks before the issue escalated, allowing consultants to propose proactive mitigation strategies to the client.

Nevertheless, the study also makes clear that AI's limitations are significant in areas requiring nuanced judgment and human interaction. Strategic decision-making often involves weighing trade-offs under uncertainty, interpreting ambiguous signals, and incorporating the tacit knowledge of executives—tasks that AI cannot independently perform. Understanding corporate culture, leadership dynamics, and internal politics is equally critical in consulting projects; for example, advising on an organizational restructuring requires not only data-driven recommendations but also sensitivity to employee morale and leadership styles, which AI cannot adequately capture. Furthermore, the reliability of AI's predictions depends heavily on data quality. When data is incomplete, outdated, or biased, AI outputs may mislead rather than inform, creating risks for both consultants and clients [3].

Overall, AI is most suitable for structured, repeatable, and data-intensive tasks that can benefit from speed and scale. However, high-stakes strategic decisions, context-sensitive recommendations, and relationship-driven engagements still rely heavily on human consultants. Rather than replacing consultants, AI functions as a powerful augmentation

tool: it handles the "heavy lifting" of data and scenario work, freeing consultants to focus on judgment, creativity, and client relationship management—the areas where human expertise remains indispensable.

4. AI-Driven Effectiveness Evaluation

Analysis of data from over 100 corporate consulting projects reveals that AI-driven consulting approaches deliver significant improvements across multiple dimensions of project performance.

First, in terms of project cycle time and operational efficiency, the data indicate that AI tools substantially accelerate key project processes such as large-scale data analysis, report generation, and scenario simulation. On average, AI integration reduces project timelines by 15%–30%. For example, in a retail market research project, automated AI data processing shortened the research phase from eight weeks to just five weeks, saving approximately 37.5% of the original time. This acceleration allows enterprises to move more rapidly into the strategic execution phase, enhancing organizational agility and responsiveness to market changes. In another case within the financial services sector, AI-assisted risk modeling cut the initial data consolidation and preliminary analysis period by nearly three weeks, enabling consultants to allocate more time to high-value strategic discussions with clients.

Second, AI enhances solution accuracy and implementation success. Predictive analytics and scenario modeling powered by AI improve the precision of recommendations and increase their likelihood of successful implementation. Compared with traditional consulting methods, AI-assisted consulting shows an average improvement of 10%–20% in both predictive accuracy and plan realization. For instance, in a manufacturing capacity optimization project, AI-generated multiple simulation scenarios allowed decision-makers to select a production plan with an 18% higher accuracy rate, preventing resource misallocation and boosting overall operational efficiency. In another technology sector project, AI-supported market entry simulations helped prioritize high-potential regions, ensuring that the client's expansion strategy was both realistic and actionable.

Third, AI contributes measurable value for both clients and consulting teams. The introduction of AI not only increases client satisfaction but also optimizes team workflows. Client satisfaction scores in AI-assisted consulting projects rose by an average of 12%, reflecting faster delivery times, more accurate recommendations, and enhanced transparency in project processes. Internally, consultants reported saving approximately ten hours per week previously spent on repetitive data processing and reporting tasks. This time was redirected toward higher-value activities, such as strategic innovation, scenario planning, and direct client engagement, further strengthening the core competencies of consulting teams. In one example, a cross-industry strategic review project allowed consultants to leverage AI to rapidly generate benchmarking insights across competitors, freeing up time to focus on crafting customized recommendations that addressed client-specific challenges [4].

Overall, these findings demonstrate that AI-driven consulting is not merely a productivity tool but a transformative enabler that enhances speed, accuracy, and client experience while freeing human consultants to focus on complex, high-impact strategic work. By systematically integrating AI into project workflows, consulting firms can achieve measurable improvements in efficiency, solution quality, and client value, making AI a practical and high-impact component of modern strategic consulting.

5. Discussion and Strategic Implications

The findings of this study indicate that AI technology provides significant value to strategic consulting, primarily through enhancing operational efficiency and improving the accuracy and reliability of recommendations. AI-driven tools can automate labor-intensive processes such as data collection, cleaning, and preliminary analysis, while also

supporting scenario modeling, predictive simulations, and early warning for potential risks. These capabilities enable consulting teams to deliver insights faster, reduce the likelihood of errors, and allocate more time to high-value strategic tasks. For example, in a retail market expansion project, AI-assisted scenario simulations allowed consultants to rapidly assess multiple expansion strategies, identify the most promising options, and present data-supported recommendations to the client in a fraction of the usual time.

However, the study also confirms that there are clear boundaries to AI's applicability. Tasks that require complex strategic judgment, deep understanding of corporate culture, nuanced evaluation of interpersonal dynamics, or interpretation of qualitative signals cannot be fully automated. High-stakes decisions, such as mergers and acquisitions, organizational restructuring, or cross-cultural strategy design, still rely heavily on human expertise and intuition. This underscores the importance of viewing AI as an augmentation tool rather than a replacement for consultants [5].

For consulting professionals, these insights imply a reshaping of the competency model. Traditional skills, including industry knowledge, critical thinking, and client communication, remain essential. However, digital literacy, proficiency in AI tools, and the ability to integrate AI-generated insights into actionable strategies are emerging as core competitive capabilities. Future consultants will increasingly need to act as "digital enablers", bridging the gap between advanced technology and strategic decision-making, and translating AI outputs into recommendations that are contextually relevant and practically implementable. This evolution also demands continuous learning and adaptation, as AI tools and methodologies rapidly evolve.

From the perspective of enterprises and policymakers, the practical applications of AI in consulting provide valuable lessons. Organizations can leverage AI to enhance project efficiency, reduce operational costs, improve the accuracy of strategy formulation, and increase client satisfaction. For example, AI-assisted project dashboards can provide real-time visibility into project progress, highlight potential bottlenecks, and allow managers to make timely interventions. Policymakers, on the other hand, can use insights from AI-driven consulting to inform workforce development, innovation incentives, and policy frameworks related to skilled talent assessment, digital infrastructure investment, and strategic decision-making support. By quantifying AI's impact on project outcomes, these stakeholders can better evaluate the effectiveness of technology adoption and create guidelines to promote responsible and productive use of AI in professional services.

In summary, the study underscores that AI serves as a powerful augmentation tool rather than a replacement for human consultants, enhancing both operational performance and strategic decision-making. By recognizing AI's strengths and limitations, consulting firms can develop informed strategies for workforce training, technology adoption, and project execution, while clients and policymakers can better harness AI's capabilities to drive innovation, efficiency, and sustainable growth. The findings highlight the need for an integrated approach, combining human judgment, domain expertise, and AI-enabled insights to achieve optimal outcomes in strategic consulting.

6. Conclusion and Future Outlook

Based on data from over 100 corporate strategy consulting projects, this study systematically evaluates the application boundaries and effectiveness of AI in strategic consulting. The findings indicate that AI significantly enhances efficiency and accuracy in data analysis and standardized solution generation, allowing consulting teams to process large volumes of data more quickly, generate multiple scenario-based recommendations, and deliver data-supported insights with greater precision. For example, AI-assisted tools enabled a retail client to evaluate several market expansion strategies within a fraction of the time traditionally required, providing actionable recommendations that were both faster and more data-driven. However, the study also highlights clear limitations: tasks involving complex strategic judgment, nuanced understanding of corporate culture, and

interpersonal interactions remain highly dependent on human expertise. AI cannot replicate the ability of experienced consultants to interpret tacit organizational knowledge, manage stakeholder relationships, or provide context-sensitive advice in situations characterized by ambiguity and uncertainty. Overall, AI can effectively shorten project timelines, improve solution accuracy, and enhance client satisfaction, but its true value is realized only when integrated with the professional judgment and experience of human consultants.

Looking forward, future research can explore several directions to further advance AI integration in strategic consulting. First, it is essential to identify optimal collaboration models between AI and human consultants, investigating how AI can augment decision-making without undermining human judgment. This may include developing hybrid workflows where AI handles data-intensive tasks and scenario modeling, while consultants focus on qualitative analysis, strategic interpretation, and client relationship management. Second, there is a need to assess AI's applicability across diverse industries, business scales, and cross-cultural contexts, ensuring that AI-driven solutions remain adaptable and relevant to different organizational and market conditions. For instance, AI models trained on data from technology or manufacturing sectors may require adjustment before being applied to healthcare or public-sector consulting projects. Third, research should evaluate the long-term effectiveness of AI in ongoing consulting engagements, examining whether AI maintains predictive accuracy and operational support over multiple project cycles, as well as how it influences the evolution of client-consultant relationships over time.

Additionally, there is considerable opportunity to explore the strategic implications of AI adoption for consulting firms themselves. Firms that integrate AI effectively can not only improve project delivery efficiency but also strengthen their competitive positioning by offering faster, more accurate, and scalable solutions. AI can also enable firms to expand service offerings into previously underserved markets or client segments, including SMEs and emerging economies, where resource constraints have historically limited access to high-quality strategic advice. At the same time, consultants must develop continuous learning capabilities to keep pace with evolving AI tools, ensuring that their domain expertise and judgment remain complementary to the technology.

In conclusion, AI represents a transformative enabler in strategic consulting rather than a replacement for human consultants. When thoughtfully integrated into project workflows, AI enhances operational efficiency, solution accuracy, and client satisfaction, while allowing consultants to focus on complex, high-value tasks that require creativity, intuition, and interpersonal insight. By combining data-driven AI capabilities with human expertise, consulting firms can foster a balanced approach that leverages technology to drive tangible outcomes while preserving the unique value of human judgment. This research lays a foundation for evidence-based strategies guiding the adoption of AI in strategic consulting and offers a roadmap for future studies to explore the evolving interplay between technology, professional expertise, and organizational impact.

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