THE CONSULTANT ECONOMY

When Process Became the Product

A Paper on the Rise of the Intermediary Economy,

and the Displacement of Accountability.

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June 2026

Part I — The Vacancy and What Filled It

The project kick-off meeting for a mid-rise residential development in a Canadian city looks, in 2026, nothing like it did in 1999.

The room is larger, or the video call is longer. The distribution list extends further. Where there were once perhaps four or five principal parties — owner, architect, civil engineer, general contractor — there are now fifteen or twenty. Each has a defined scope. Each has a contract. Each has a professional liability policy carefully worded to describe exactly where their responsibility ends. Each, when asked who owns the project as a whole, will indicate that the question falls outside their scope.

That is not a complaint about the people in the room. It is an observation about the room itself. The meeting that used to produce decisions now produces meeting notes — a record that the meeting occurred, that each party's position was stated, that next steps were identified and assigned. The decisions happen somewhere else, or they do not happen at all. The project moves forward because it must, carried by momentum and contractual obligation rather than coordinated intention.

This is the consultant economy: not a conspiracy, not a failure of character, but the rational equilibrium of an industry that has spent thirty years distributing liability, adding specializations, and creating intermediary roles faster than it has created accountability for outcomes. Paper Four of this series traced who left — the builder class, whose knowledge and judgment once kept the cast list short and the ownership clear. This paper examines what moved in after them, and what that substitution has cost.

Part II — The Architecture of Fragmentation

Twenty years ago, a residential single-family home in Ontario was typically designed and documented on a single architectural drawing set. Structural design — beams, headers, spans, load paths — was largely prescribed by the Ontario Building Code and resolved through standard span tables that architects and experienced designers carried as foundational professional knowledge. The structural engineer was engaged for complex conditions: unusual loads, foundation complications, atypical configurations. For the majority of single-family residential work, the code provided the answer, the architect applied it, and the contractor built from one coherent set of documents.[1]

That model is substantially gone. Structural drawings are now a standard deliverable on residential projects that have not grown meaningfully more complex in configuration or loading. A structural engineer is routinely engaged, producing a drawing set that must be read in conjunction with the architectural set — a coordination obligation that did not previously exist, a scope boundary that generates Requests for Information, and a professional relationship that costs money, adds time, and introduces the possibility of conflict between two documents that neither party authored together. The building is the same building. The project team is larger.

This dynamic, visible in miniature on a single-family residential project, plays out at industrial scale on any project of meaningful size. A typical Canadian mid-rise residential development in 2026 involves, routinely, the following professionals: architect, structural engineer, mechanical engineer, electrical engineer, civil engineer, geotechnical engineer, shoring engineer, traffic consultant, planning consultant, landscape architect, sprinkler engineer, environmental consultant, heritage consultant, sustainability consultant, acoustics consultant, code consultant, interior designer, commissioning agent, owner’s representative, project manager, and cost

consultant.[2] Often more. Specialty façade consultants, elevator consultants, parking consultants, waste consultant, accessibility consultant, signage consultant, wind engineers, demo consultants, roof anchor designer and window washing system designer. The list varies by project type, municipality, and site condition. The trend line is consistent, and it points in one direction only.

Each of these engagements is rational. The structural engineer exists because structures must be designed by qualified professionals. The geotechnical engineer exists because subsurface conditions cannot be assumed. The sustainability consultant exists because certification programs require specialist documentation. No single engagement is without justification.

The result is a system where no one is fully responsible for the project as a whole. Responsibility has been divided so many times that ownership becomes blurred.

Each consultant performs their role, yet the overall process becomes slower, more expensive, and harder to manage. The fragmentation introduced to manage complexity creates new coordination challenges, which are often addressed by adding more consultant scope. The cycle repeats itself.

> **No party on the distribution list owns the project. That is not an oversight. It is the architecture.**

Part III — The Digital Diligence Deficit

There is a conversation the construction industry does not have openly, because it implicates a generation of practitioners who are now mid-career and a technology adoption curve that the profession celebrated without fully auditing.

When consultants drew by hand, error had a cost. An incorrect dimension required erasure and redraw. A missed coordination issue meant starting a sheet over. A structural revision cascaded through four drawings and an unplanned weekend. The friction embedded in hand drafting was not inefficiency — it was discipline. The consequence of committing a line to paper was that correcting it was expensive, so practitioners thought harder before they committed. The drawing was more considered because the process of producing it was more considered.

The transition to CAD, and subsequently to BIM, removed the cost of error from the design process at the desk without removing the cost of error from the construction project. Moving a wall in a BIM model takes seconds. Moving a wall in a building costs tens of thousands of dollars. The gap between these two realities — the ease of digital design and the measure twice, cut once reality of physical construction — has consequences that the industry has constantly address.

> **The technology removed the cost of error from the desk. It did not remove the cost of error from the building.**

What is observable in practice, to anyone who has reviewed drawing sets across two decades of construction activity, is a correlation between volume of production and diligence of output. Firms that produce more drawings faster do not always produce better drawings. Coordination conflicts that hand-drafting would have resolved through the visible collision of pencil lines on the same sheet now survive undetected through the electronic handoff of files that no single person has read in their entirety. The Request for Information — the formal mechanism by which a contractor asks a consultant to clarify something that should have been clear in the issued-for-construction documents — is one of the most reliable indicators of drawing-set quality. In a well-

coordinated set, RFIs address genuine ambiguity. In a poorly coordinated one, they address errors that existed at issuance and were not caught.[3]

The technology that was supposed to reduce coordination errors has, in practice, been outrun by the volume of production it enabled. Speed is not a substitute for diligence. The tool changed the behaviour. The behaviour changed the output. The industry has not yet fully accounted for the difference.

Part IV — Consolidation and the Quality Paradox

The consultant economy has undergone the same consolidation dynamic as every mature service industry. Large firms have acquired smaller ones. Regional practices have been absorbed into national platforms. Named partnerships have become corporate subsidiaries. The rationale is familiar: scale produces efficiency, diversified services produce value, a larger platform produces better tools and a deeper bench. The economics underneath this argument deserve scrutiny.

A large consulting firm is an expensive organizational machine. Its overhead includes professional staff across multiple offices, principal compensation at market rates, professional liability insurance premiums that scale with revenue, software licences across a growing technology stack, marketing and business development costs, and the administrative infrastructure required to manage a complex, multi-jurisdictional practice. These costs are real, substantial, and constant. They do not decline when the project pipeline is thin.

The consequence is that large consulting firms are hungry firms. They require sustained cash flow to survive, and that requirement becomes, over time, a production imperative: the firm must bill to keep the doors open, so it must produce, so it must staff at volume, so quality becomes a function of throughput management rather than craft. The incentive structure of a large consulting firm is oriented toward keeping people billable. The incentive structure of a well-run practice is oriented toward producing work of distinction. These objectives are not always incompatible. But when they come into tension — and they come into tension regularly — the economics are unambiguous about which one wins.[4]

The market consequence of consolidation is the systematic erosion of the mid-tier. The architecture, engineering, and planning professions in Canada once had a robust ecosystem across firm sizes: large institutional practices with deep resources and multi-disciplinary capacity; medium-sized firms with specialist expertise and meaningful principal involvement on most projects; small boutique practices where the person signing the drawing was the person who drew it, and accountability ran directly between client and practitioner without organizational intermediation. That middle tier is under pressure. When a large firm acquires a mid-sized one, the principals either stay and become managers within a larger machine, or they leave. If they leave, their institutional knowledge — the relationships, the project history, the accumulated judgment about how that firm operated — leaves with them. The firm retains the name and the client list. What it may not retain is the culture and the standard that built the name in the first place.

The market needs all three tiers. Large firms provide institutional capacity, depth of resources, and the ability to staff complex, multi-disciplinary projects. Medium firms provide specialist depth, principal proximity, and a scale at which quality management is still personal rather than procedural. Small firms provide agility, direct accountability, and the practice of having the most experienced person in the room be the person doing the work. The concentration of the market

in the upper tier is not a neutral development. It removes options the market needs, and it removes them systematically.

> **The market needs all three tiers. Consolidation is systematically eliminating the middle and lower tiers. That is not a neutral development.**

Part V — The Generational Exodus

Paper Four documented the disappearance of the builder class — the tradespeople, foremen, and contractor-owners whose knowledge and judgment were accumulated over careers and passed along, imperfectly but genuinely, through the apprenticeship system and through daily proximity to people who knew more than they did. The failure was one of knowledge transfer: the people who knew things did not build systems for transmitting what they knew, and when they left, the knowledge went with them.

The same failure is now playing out in the professions.

A generation of named partners, senior associates, and practitioners with thirty or forty years of project experience has retired over the past decade. The cohort is large, the timing compressed, and the impact observable. These were the people who had worked through every condition the built environment produces: unusual sites, problematic soils, failed systems, regulatory conflicts, contractor insolvencies, cost overruns that had to be managed rather than concealed, design errors that had to be owned rather than argued. They carried, in professional memory, the accumulated record of what works and what does not — knowledge that does not exist in any drawing archive and was never written down because it was assumed to be continuously present in the room.[5]

It was not continuously present. It was present as long as the people who held it were present. When those people retired, the knowledge retired with them.

> **The failure of knowledge transfer that hollowed out the trades has hollowed out the professions. The mechanism is identical. The loss is of the same character. Only the credential is different.**

What remains, in many firms and on many projects, is a younger generation of capable, credentialed, technically proficient practitioners who are working without close proximity to that accumulated judgment. They know the software. They know the code. They are competent within the scope of what they have been trained to do. What they are less likely to have is the creative ingenuity that comes from having solved a difficult problem six different ways; the site instinct that recognizes a condition before it becomes a documented issue; the willingness to commit to a position under uncertainty, because they have been wrong before and know how to recover from it.

This is not an indictment of the current generation of consultants. They were not given what was not offered. The failure belongs to the generation that retired without fully transmitting what it knew — the same failure, the same mechanism, and the same consequence that Paper Four identified in the trades. The credential is different. The loss is of the same character.

Part VI — The Under-Qualified Spinoff

The retirement of experienced practitioners, combined with consolidation pressure on mid-tier firms, produces a predictable market response: junior-to-mid-level professionals leave larger organizations to establish their own practices, on the basis of credential and ambition, into a market that has insufficient qualified alternatives to exercise meaningful selectivity.

This dynamic is not new and is not inherently problematic. Every firm begins somewhere. Every principal was, at some point, a less experienced professional who made a decision to practice independently. The market has always absorbed a certain rate of new firm formation, and the profession has benefited from the energy and fresh perspective that new entrants bring.

The current condition is distinguishable in two ways. First, the rate of senior departure has outpaced the normal rate of succession. When experienced practitioners retire faster than they can be replaced by equivalently experienced successors, the profession develops a qualification gap at the senior level. The projects do not slow down to accommodate that gap. They continue at the same pace, staffed by whoever is available.[6]

Second, the scarcity of qualified consultants — itself a product of the retirement wave and the consolidation dynamic — means the market cannot effectively apply qualification thresholds. A client who needs a structural engineer has a finite list of available firms. If the most experienced firms are committed or cost-prohibitive, the client engages the next available option. That option may be a principal with ten years of experience rather than thirty, a firm that is building its capabilities on the current project rather than arriving with them fully formed.

This is not bad faith. It is the predictable behaviour of a market in which demand for qualified consultants consistently exceeds supply. The same dynamic was documented in Paper Four with respect to the trades: work secured on the basis of scarcity rather than demonstrated capability; a project record assembled by doing work the firm was not fully ready for; a resume built from experience that was still being acquired at the client's expense. The parallel is not coincidental. It is the same pattern, operating in a different professional stratum.

This is a systemic observation, not a universal one. There are excellent small and new firms in every discipline, run by practitioners who left larger organizations precisely because they wanted to do better work with more personal accountability. Scarcity-driven market entry and quality-driven market entry produce firms that are indistinguishable by credential. The market, lacking alternatives, cannot always distinguish between them. The project absorbs the learning curve either way.

Part VII — The Accountability Gap

> **"It's nothing till you don't got one. Then it appears to be everything."**
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> **— Malcolm Reynolds, Firefly, "Out of Gas" (S1E5)**

There is a question embedded in the regulatory apparatus of Canadian municipal planning and building review that has not been asked directly, partly because the answer is uncomfortable.

Municipal plan reviewers — city staff tasked with reviewing submissions for zoning compliance, building permit applications for code adherence, and engineering drawings for technical accuracy — are, in many cases, less credentialed than the professionals whose work they are reviewing. An architect registered with a provincial association, with fifteen years of practice and a project record that includes complex institutional buildings, submits drawings to a municipality where they are reviewed by staff who may hold a different credential set, fewer years of direct practice, and a mandate defined by process compliance rather than design judgment.

Why is this review layer necessary?

One answer is bureaucratic: the municipality is responsible for what gets built within its jurisdiction, and independent verification of professional submissions is a function of that responsibility. This is coherent as far as it goes. A second answer is one of risk management: liability exposure, for the municipality, requires that its own process be documented regardless of the quality of the professional submissions it receives. A third answer is the one the profession prefers not to examine: if professional submissions were consistently accurate, complete, and internally coordinated, the review layer would catch very little. Its workload would be light. Its interventions would be rare.

Paper Three of this series examined how verification processes multiply at the regulatory level. This is the view from the other side of that observation: some of the verification is there because the volume of revisions, resubmissions, and back-and-forth between professional consultants and municipal reviewers that characterizes the current approvals environment does not suggest a system in which submissions are routinely excellent and reviewers are finding nothing. The question of why is not rhetorical. It points back, in part, to the production pressures, diligence deficits, and qualification gaps documented in the preceding sections.

The accountability gap has a structure. Each consultant on a project is responsible for their scope. The architect is responsible for the architectural drawings. The engineer is responsible for the engineering drawings. The cost consultant is responsible for the cost report. Each meets their contractual obligation, delivers their document, and invoices for their time. None of them is responsible, in any contractually meaningful sense, for the project.

When the project fails — over budget, behind schedule, technically flawed, or simply different from what was intended — the question of accountability produces a diagnostic exercise in which each party can demonstrate, accurately, that they met their contractual obligation. The drawings were complete. The report was submitted. The scope was executed. The contract was performed. The project failed. No one is accountable for its failure. These statements can all be simultaneously true, and regularly are.

> **Every obligation met. Every contract performed. The project failed. No one accountable. The consultant economy has optimized for performance, not for outcomes.**

The builder class operated under a different regime. The person who built the thing was accountable for whether it worked. Not contractually — structurally. You built it. It either stood up or it didn't. Accountability was embedded in the relationship between the person and the work. In the consultant economy, that relationship has been attenuated through layers of scope limitation, professional liability management, and contractual boundary-setting until accountability is distributed away. The problem with distributing accountability is that it can only be distributed so far before it disappears entirely.

Part VIII — What Is Worth Keeping — and What Needs Answering

To conclude that the consultant economy is simply a failure system that needs to be dismantled would be wrong and overstepping. The specialization that produced it was a genuine response to genuine complexity. Buildings are more technically demanding than they were forty years ago. Mechanical systems, building envelopes, structural performance expectations, and sustainability requirements have all increased in scope and sophistication. The claim that a single practitioner could carry all of this knowledge is implausible. Specialization was necessary.

What was not necessary — what was chosen, whether explicitly or by default — was the accountability architecture that accompanied specialization. The scope limitation as standard contract position. The professional liability management as the primary professional objective. The delivery structure in which everyone invoices for their deliverable and no one is compensated for the outcome. Specialization is not the problem. The incentive structure built around it is.

There are existing models that attempt a different answer. Integrated Project Delivery structures align the financial interests of owner, designer, and contractor toward a shared outcome rather than competing contractual positions.[7] Design-build procurement assigns design authority and construction responsibility to a single party who cannot externalize the cost of their own errors. Long-term concession structures in public-private partnerships assign outcome accountability over decades, not just until substantial completion. None of these is a perfect model, and none is universally appropriate. But they share a structural feature the conventional consultant economy lacks: they create a version of the accountability relationship the builder class once held by default. The person responsible for the design is exposed to the consequences of the design. That changes behaviour.

The generational knowledge transfer failure is at least now being named. There are firms and professional associations who have recognized that retiring practitioners are taking irreplaceable knowledge with them, and who are attempting to slow that loss through mentorship structures, knowledge documentation, and deliberate succession planning. This is insufficient relative to the scale of the problem. But it is a correct diagnosis in a profession that has been slow to acknowledge the symptom.

The ecosystem question — small, medium, and large firms in balance — is one the market cannot resolve on its own if consolidation economics continue uninterrupted. There are policy instruments that could address it: procurement rules that reserve certain project types or scales for firms below a defined revenue threshold; professional liability frameworks that make small-firm practice viable rather than ruinous; public sector client practices that invest in relationship-based procurement rather than lowest-cost selection.[8] These instruments exist in comparable markets. They are not present in Canadian construction procurement at meaningful scale.

The questions that remain open — because this paper does not claim to have all the answers, and is skeptical of anyone who does — are these:

If every professional on a project meets their contractual obligation and the project nonetheless fails, who owns that outcome? Is there a procurement and delivery model that answers this question differently — and if so, what would it take to make that model the default rather than the exception?

If the trades and the professions are failing by identical mechanisms — knowledge hoarding, qualification gaps, scarcity-driven market entry, generational exodus — is the problem sector-

specific, or is it something structural upstream of both? And if it is structural, what does that imply about the solutions that have been proposed so far?

The consultant economy is a rational equilibrium. The difficulty with rational equilibria is that they can be stable and dysfunctional simultaneously, and no individual actor within them has sufficient incentive to change the system, because changing the system costs more than accepting it. Changing a rational equilibrium requires either a shift in incentives, a shift in available alternatives, or the intervention of parties who bear the costs of the current system and have the capacity to demand something different.

The people and the institutions that build Canada for a living are the ones who bear those costs. The question of whether they have the capacity — and the will — to demand something different is one this paper will leave where it belongs: with them.

Also in the Building Forward Series: How Do We Get Innovative…Again? (Paper One) examines how institutional inertia and the conflation of familiarity with effectiveness are quietly suppressing innovation across construction, housing, and the Canadian economy. Ontario's Housing Giants (Paper Two) profiles the developers and rental builders who shaped the modern Canadian housing landscape — and what their concentration of market power means for everyone building after them. The Cathedral and the Condo (Paper Three) explores the tension between long-horizon thinking and short-cycle development — and what Canada builds when it stops being able to tell the difference. The Missing Builder Class (Paper Four) documents the systematic dismantling of the institutional, cultural, and economic conditions that produced Canada's skilled builder class — and examines what it will take to rebuild them.

This paper was developed with the assistance of generative AI tools — Claude (Anthropic) and ChatGPT (OpenAI) — for source organization, structural review, and drafting refinement. AI is a tool. Like any tool, its value is determined by the judgment of the person using it. The pneumatic nail gun was resisted by carpenters who believed it would undermine craftsmanship. AutoCAD was resisted by drafters who believed hand drawing produced better design thinking. In both cases, the tool expanded what skilled practitioners could accomplish — it did not replace the judgment that made the work worth doing. The analysis, positions, and conclusions in this paper are the author's own.

ABOUT THE AUTHOR

Patrick Norris is a Canadian construction and capital planning professional with experience in large-scale residential development and infrastructure-related projects. This paper is an independent thought piece and does not reflect the views of any employer or affiliated organization.

ENDNOTES

1 Ontario Building Code, Division B, Part 9 (Housing and Small Buildings). The prescriptive structural requirements in Part 9 — including span tables for joists, rafters, beams, and headers — were designed to eliminate the need for project-specific engineering on standard residential construction. The expansion of structural engineering scope into Part 9 projects reflects a professional and regulatory shift rather than a change in the technical demands of the work itself.

2 Altus Group. Canadian Cost Guide 2024. Altus Group, 2024. The Altus Canadian Cost Guide documents soft costs — encompassing professional fees, permits, development charges, and financing — as a proportion of total development cost. For purpose-built rental and condominium mid-rise construction in major Canadian markets, soft costs have grown materially as a share of total project cost over the preceding decade. https://www.altusgroup.com

3 Canadian Institute of Quantity Surveyors. Construction Cost Data, various editions. The CIQS and affiliated industry bodies track coordination metrics including RFI volumes as indicators of pre-construction documentation quality. Industry practitioners consistently report that RFI volumes have not declined with the adoption of BIM-based coordination workflows, and in many cases have increased as drawing production volumes expanded. https://www.ciqs.org

4 Statistics Canada. Canadian Business Counts, Architectural, Engineering and Related Services (NAICS 5413), various years. Business count data documents consolidation trends in professional services, including the decline in mid-tier firm formation and persistence rates relative to large-firm growth. https://www.statcan.gc.ca

5 Engineers Canada. National Membership Report, 2023. Engineers Canada, 2023. The National Membership Report documents the age distribution of licensed engineers across Canadian provinces. The concentration of licensed engineers in the 55–65 age cohort indicates the scale of the near-term retirement wave. Equivalent demographic pressures exist across architecture, planning, and related professions. https://www.engineerscanada.ca

6 Buildforce Canada. Construction and Maintenance Looking Forward, 2024–2033. Buildforce Canada, 2024. Buildforce projects net workforce shortfalls across all construction-related occupations in Canada over the forecast period, with professional and technical roles comprising a growing share of the gap. The projection methodology distinguishes between retirements and new entrant formation, making visible the succession deficit at the senior practitioner level. https://www.buildforce.ca

7 Canadian Construction Documents Committee. CCDC 30 — Integrated Project Delivery Contract, 2018. CCDC, 2018. The CCDC 30 is the standard Canadian IPD contract, establishing a multi-party agreement structure in which owner, designer, and constructor share financial risk and reward based on project outcomes rather than individual scope performance. Its use in Canadian construction remains limited relative to conventional CCDC 2 (stipulated price) and CCDC 5 (construction management) delivery models. https://www.ccdc.org

8 Canadian Construction Association. Gold Seal Certification Program; see also procurement frameworks in the United Kingdom's Construction Playbook (HM Treasury, 2020) and Australia's National Construction Strategy. Both international frameworks explicitly address ecosystem balance — small, medium, and large firm access to public procurement — as a policy objective. Canada has no equivalent national construction procurement strategy at the time of writing. https://www.cca-acc.com