<center>Fictitious Case Study</center>

GenAI in Consulting: When Generative Artificial Intelligence Fails the Client and How Consultants Face the Heat

1.0 The Use of Generative AI by Consulting Companies for Developing Consulting Reports

The rapid advancement of Generative Artificial Intelligence (AI) has transformed knowledge-intensive industries, including management consulting. Consulting firms increasingly use AI tools such as large language models to automate research, draft reports, and analyse large volumes of data. These technologies promise increased productivity, reduced costs, and faster project delivery. However, the integration of AI into professional consulting work also introduces new risks related to accuracy, accountability, and professional standards. This case study examines a scenario in which a consulting firm adopted generative AI to produce client reports. Although the firm aimed to increase efficiency and reduce turnaround time, the client later discovered significant factual errors, fabricated citations, and analytical weaknesses in the delivered report. As a result, the client rejected the report and refused to pay the consulting fees. The case highlights the socio-technical challenges of using AI in professional services and raises questions about governance, ethics, and responsibility in AI-augmented knowledge work.

Consulting firms traditionally rely on human expertise, rigorous research methodologies, and structured analytical frameworks to deliver value to clients. Consultants collect primary and secondary data, conduct interviews, perform market analysis, and synthesize insights into detailed reports that guide strategic decision-making. With the rise of generative AI tools, many consulting firms have begun integrating AI into their workflows. AI can quickly summarize large datasets, generate text drafts, create visualizations, and suggest strategic insights. According to industry discussions on AI-augmented work, such tools can reduce the time spent on routine tasks and allow consultants to focus on higher-level analysis (Davenport and Mittal, 2022).

The emergence of GenAI has significantly transformed knowledge-intensive industries, particularly the consulting sector. Consulting companies traditionally rely on extensive research, data analysis, and expert interpretation to produce strategic reports for clients. These reports often guide major business decisions, including market expansion, digital transformation, operational restructuring, and investment strategies. However, the report development process has historically been time-consuming and labour-intensive, requiring consultants to analyse large volumes of information and synthesize complex insights into structured documents. The introduction of GenAI has begun to reshape this process by automating several stages of report development while augmenting the analytical capabilities of consulting professionals.

Consulting companies increasingly use GenAI as a productivity tool that assists consultants in collecting, analysing, and presenting information. Rather than replacing consultants entirely, GenAI acts as an augmentation technology that accelerates research and drafting processes. By integrating large language models and other AI-driven tools into their workflows, consulting firms can generate initial drafts of reports, summarise large datasets, and identify patterns within market or organizational data. As a result, consultants can focus more on strategic thinking, interpretation, and client engagement rather than spending significant time on routine documentation tasks.

One of the primary ways consulting firms use GenAI is for research synthesis and literature review. Consulting projects often require analysing numerous sources, including industry reports, market research studies, financial statements, and regulatory documents. Manually reviewing these materials can take several days or weeks. GenAI tools can rapidly process large quantities of text and produce concise summaries of key insights. Consultants can input multiple documents into AI systems and request summaries that highlight trends, opportunities, and risks relevant to the project. This capability allows consulting teams to quickly develop a foundational understanding of an industry or market environment.

In addition to summarising information, GenAI is widely used for data interpretation and insight generation. Consulting engagements frequently involve analysing large datasets such as sales records, consumer behaviour data, operational performance metrics, or economic indicators. AI systems can assist in identifying patterns, correlations, and anomalies within these datasets. For example, generative AI tools integrated with analytics platforms can help consultants detect emerging consumer trends or shifts in market demand. These insights can then be incorporated into consulting reports to support strategic recommendations.

Another key application of GenAI in consulting report development is drafting report content. Consulting reports typically contain multiple sections, including executive summaries, industry analysis, competitive landscape evaluations, and strategic recommendations. Generative AI systems can produce initial drafts of these sections based on prompts provided by consultants. For instance, a consultant may instruct the AI system to draft a section analysing the competitive environment of a particular industry or summarizing recent technological developments. The AI-generated draft provides a starting point that consultants can refine, edit, and expand based on their professional expertise and project-specific insights.

GenAI also plays an important role in creating executive summaries and presentations. Senior executives often prefer concise summaries that highlight key insights rather than reading lengthy reports. AI systems can condense complex analyses into brief executive summaries that capture the main findings and recommendations. Similarly, generative AI tools can assist in converting report content into presentation slides for client meetings. These tools can automatically generate slide outlines, bullet points, and supporting visual elements, enabling consultants to prepare presentations more efficiently.

Another area where GenAI contributes to report development is visualization and graphic design. Consulting reports often include charts, graphs, and infographics that communicate complex information in a visually accessible format. Generative AI tools can help produce these visual elements by transforming raw data into charts or generating conceptual diagrams that illustrate strategic frameworks. For example, AI systems can create market segmentation charts, trend analysis graphs, or value chain diagrams that help clients understand the analytical findings more clearly.

Consulting companies also use GenAI to standardize report formats and improve consistency across projects. Large consulting firms often produce hundreds of reports each year, and maintaining a consistent structure and style is important for branding and quality control. AI tools can assist by applying standardized templates, formatting guidelines, and writing styles to consulting documents. This ensures that reports follow a uniform structure while allowing consultants to focus on developing substantive insights rather than formatting details.

Another important use of GenAI is supporting collaborative report development within consulting teams. Consulting projects typically involve multiple team members working simultaneously on different sections of a report. AI-driven collaboration tools allow consultants to integrate their contributions more efficiently by automatically organizing content, detecting redundancies, and suggesting edits that improve clarity and coherence. In some cases, AI systems can also track document revisions and provide suggestions for improving argument flow or logical structure.

Despite these advantages, consulting firms recognize that the use of GenAI requires careful human oversight. AI-generated content may sometimes contain inaccuracies, outdated information, or generic insights that lack contextual relevance. For this reason, consultants typically treat AI-generated outputs as preliminary drafts rather than final deliverables. Experienced consultants review, verify, and refine the content to ensure that the report reflects accurate data and tailored strategic analysis. This human review process is essential for maintaining the credibility and reliability of consulting services.

Another critical consideration in the use of GenAI for report development is data security and confidentiality. Consulting firms frequently handle sensitive client information, including financial records, operational data, and strategic plans. Uploading such data into AI systems may create potential risks related to privacy and data protection. To address these concerns, many consulting firms use secure enterprise AI platforms that operate within their internal digital infrastructure. These platforms allow consultants to leverage AI capabilities while ensuring that client data remains protected and confidential.

The integration of GenAI into consulting workflows also reflects broader changes in the nature of professional knowledge work. Traditionally, consulting expertise was largely based on the ability to gather information, analyse data, and communicate insights effectively. With the introduction of AI tools, consultants increasingly act as orchestrators of technology and expertise, guiding AI systems to produce useful outputs while applying human judgment to interpret and contextualize the results. This shift requires new skills, including AI literacy, data governance awareness, and the ability to critically evaluate AI-generated content.

Furthermore, consulting firms are beginning to develop internal AI governance frameworks to regulate the responsible use of generative technologies. These frameworks define guidelines for data usage, quality assurance, and ethical practices in AI-assisted consulting work. By implementing governance structures,

consulting companies aim to ensure that AI tools enhance productivity without compromising professional standards or client trust.

2.0 Case Context

A mid-sized management consulting firm, **Alpha Consulting**, specialized in market research and digital transformation strategies. Facing increasing competition and pressure to deliver faster results, Alpha Consulting began integrating generative AI tools into its internal workflow. The firm introduced AI tools to assist with: Market research summarization, Drafting industry reports, Competitive analysis, Creating executive summaries, Generating presentation slides. Consultants were encouraged to use AI tools to accelerate report development. Management believed that AI could reduce project timelines by nearly 40% while maintaining acceptable quality. One of Alpha Consulting's major clients, a retail company referred to here as **RetailCo**, hired the firm to produce a comprehensive market entry strategy for expanding into Southeast Asian markets.

2.1 Use of Generative AI in the Project

During the project, Alpha Consulting consultants relied heavily on generative AI to complete several tasks. First, the team used AI to summarise industry reports and academic articles related to the Southeast Asian retail sector. Instead of manually reviewing dozens of documents, consultants used AI prompts to extract key insights. Second, the AI system was used to draft large portions of the report, including sections on market trends, consumer behaviour, and regulatory environments. Consultants edited the AI-generated text slightly but did not perform extensive verification due to tight project deadlines. Third, the team used AI to generate citations and references to support the report's arguments. The system produced several references that appeared credible, including academic papers and industry reports. Finally, AI tools were used to produce charts, forecasts, and strategic recommendations regarding RetailCo's potential market expansion.

The consulting team believed that AI-assisted production had significantly increased their efficiency. The final report was delivered to the client within three weeks, much earlier than the typical consulting timeline.

After receiving the report, RetailCo's internal strategy team began reviewing the document. During the review process, they discovered several significant issues.

First, some of the cited academic studies and industry reports could not be found in public databases. Further investigation revealed that the AI system had generated **fabricated references**, a phenomenon commonly referred to as AI hallucination. Second, certain market statistics were inconsistent with official government data. For example, retail growth projections cited in the report differed significantly from statistics published by regional economic organizations. Third, parts of the analysis appeared generic and lacked contextual understanding of the Southeast Asian retail landscape. A lot of images were also identified in the report which were created by generative artificial intelligence and they did not adhere to the requirements of the consulting organization standards as well as the needs from the customer.

RetailCo executives noted that the recommendations resembled standard consulting templates rather than tailored strategic advice. Fourth, some of the report's insights contradicted each other. For instance, one section described the market as highly saturated while another recommended rapid large-scale expansion. These inconsistencies raised concerns about the credibility of the entire report.

2.2 Client Response and Refusal to Pay

RetailCo formally communicated its concerns to Alpha Consulting. The client argued that the report failed to meet professional consulting standards and contained unreliable information that could potentially lead to costly strategic mistakes. After further internal review, RetailCo concluded that the report had likely been generated using AI without sufficient human oversight. The client argued that they had paid for expert consulting analysis, not automated content generation. RetailCo therefore refused to pay the consulting fee and requested either a full revision of the report or a contract termination. Alpha Consulting initially defended the report, claiming that AI was used only as a supporting tool. However, internal investigation revealed that large portions of the report had been directly generated by AI with minimal verification. The dispute eventually escalated into a contractual disagreement regarding professional negligence and quality assurance.

The growing integration of generative artificial intelligence (AI) in professional services has significantly altered the way consulting firms produce analytical reports. AI tools can rapidly generate written content, visualizations, and structured insights that previously required extensive human effort. While these technologies improve efficiency and reduce production time, they also introduce new challenges related to authenticity, quality assurance, and transparency. In some cases, clients reviewing consulting deliverables may suspect that a report has been generated using AI rather than being fully developed through human expertise. Such suspicions often arise due to identifiable patterns in both the textual content and the visual elements used in the report. This essay explains how clients may recognize that a consulting report was produced using generative AI, with particular attention to the characteristics of images, charts, and visualizations embedded in the document.

The case highlights several critical issues related to AI adoption in consulting.

- **Quality Control:** The consulting team relied heavily on AI outputs without verifying the accuracy of generated information. Professional consulting services require rigorous fact-checking and data validation, which were insufficiently performed in this case.
- **AI Hallucination and Fabricated Source:** Generative AI systems may produce convincing but incorrect information, including non-existent references. Without careful verification, such errors can undermine the credibility of professional reports.
- **Loss of Domain Expertise:** Over-reliance on AI tools may reduce the role of human expertise in analytical work. In this case, consultants did not deeply engage with the underlying data, leading to superficial insights.
- **Ethical and Transparency Concerns:** RetailCo argued that Alpha Consulting did not disclose the extent to which AI tools were used in preparing the report. This raised ethical questions about transparency in AI-assisted professional services.
- **Accountability:** The case raises an important question: when AI-generated outputs contain errors, who is responsible? The consulting firm ultimately remains accountable to the client for the quality of the delivered work.

One of the first indicators that a report may have been generated using AI is the structure and style of the written content. AI-generated text often follows a highly standardized format with predictable headings, uniform paragraph structures, and generic transitions between sections. While professional consulting reports are typically structured, they usually contain contextual insights derived from interviews, proprietary data analysis, and industry-specific observations. In contrast, AI-generated reports may rely on broad generalizations and widely known industry trends rather than highly specific insights relevant to the client's organization. Clients familiar with their own data or market environment may therefore notice that certain sections of the report appear generic, repetitive, or disconnected from the specific business problem they asked the consultants to address.

Another common signal arises from the references and sources cited within the report. Generative AI systems sometimes produce fabricated citations or references that appear credible but cannot be verified in academic databases or industry publications. When clients attempt to verify the supporting evidence behind key recommendations, they may discover that some cited reports, journal articles, or statistics do not exist. This phenomenon, often described as AI "hallucination," can undermine the credibility of the entire document. Clients who conduct due diligence on the sources may quickly identify inconsistencies between the report's claims and authoritative data sources.

Beyond textual characteristics, visual elements such as images, charts, and infographics often reveal strong indicators of AI-assisted production. Consulting reports typically include visualizations to communicate complex information in a clear and accessible manner. These visuals may include market trend charts, competitor analysis matrices, consumer segmentation diagrams, or geographic market maps. However, when such visuals are generated using AI tools without careful human refinement, certain patterns may emerge that signal automated production.

One noticeable issue relates to the generic appearance of charts and graphs. AI-generated visuals often rely on standard templates that are widely used across many automated reporting tools. As a result, the charts may appear visually polished but lack meaningful customization. For example, the colour schemes may be overly uniform, the labels may use default terminology, and the data categories may appear broad rather than tailored to the client's industry. Clients familiar with consulting deliverables may notice that the charts resemble widely available online templates rather than customized analyses derived from their own datasets.

Another indicator arises from inconsistencies between visuals and textual explanations. In well-developed consulting reports, charts and graphs directly support the narrative argument presented in the text. Consultants usually design visualizations to highlight specific insights that reinforce strategic recommendations. However, AI-generated visuals may sometimes display data patterns that do not align with the written interpretation. For instance, a chart might show moderate market growth while the accompanying text describes rapid industry expansion. Such contradictions can raise suspicions that the visual and textual elements were generated independently by automated systems rather than through integrated human analysis.

Clients may also detect AI involvement through the lack of methodological transparency in visual data presentation. Professional consulting visuals normally include clear explanations regarding data sources, time periods, and analytical methods used to construct the chart. For example, a market share chart might specify the data collection year, the surveyed sample size, and the source of the information. AI-generated visuals, particularly those created from prompts rather than verified datasets, may omit these details or present vague labels such as "industry estimates" or "market projections." When methodological information is missing or unclear, clients may question the reliability of the visualizations.

Another characteristic associated with AI-generated images is the presence of unrealistic or stylized graphics. Generative AI image tools sometimes produce illustrations or icons that appear overly polished or stylistically inconsistent with traditional corporate design standards. For instance, a consulting report might include abstract illustrations of business growth, futuristic cityscapes, or symbolic representations of digital transformation. While visually appealing, these images may not contribute meaningful analytical value to the report. Experienced clients may view such decorative images as indicators that automated design tools were used instead of purpose-built analytical diagrams.

AI-generated visualizations may also contain minor technical anomalies that reveal their automated origin. These can include mislabeled axes, inconsistent scales across multiple charts, duplicated legends, or visual elements that appear misaligned. Human analysts typically review charts carefully to ensure consistency and clarity, whereas automated generation processes may produce visuals with subtle structural errors. When clients examine the visuals closely, these anomalies can raise questions about the rigor of the report's preparation.

Furthermore, AI-generated reports may include stock-style icons and repetitive graphic elements throughout the document. For example, the same generic icons representing "growth," "innovation," or "digital transformation" may appear repeatedly across different sections. While such icons are commonly used in presentations, their excessive repetition may indicate that the report was assembled using automated design templates rather than being crafted specifically for the client's project.

Clients may also notice limited integration between visuals and proprietary data. In consulting engagements, clients often provide internal datasets such as sales figures, operational metrics, or customer insights. High-quality consulting reports usually incorporate these proprietary datasets into customized visualizations that directly reflect the client's business performance. If the visuals in the report rely mainly on publicly available statistics or generalized industry trends instead of the client's own data, the client may suspect that the report was generated using generic AI-driven research rather than in-depth analysis of their information.

In addition to these technical indicators, clients often rely on contextual knowledge of their industry and organization when evaluating consulting deliverables. Executives and internal analysts possess deep familiarity with their market environment, competitive landscape, and operational challenges. When a report includes visuals that simplify complex industry dynamics or overlook critical variables, clients may infer that the analysis was generated through automated processes rather than through detailed domain expertise.

The identification of AI-generated content in consulting reports highlights broader implications for professional services. As generative AI becomes more prevalent, consulting firms must ensure that automated tools are used responsibly and transparently. Visual elements should be carefully reviewed and customized to reflect accurate data and meaningful insights. Moreover, consultants must maintain clear documentation of data sources, analytical methods, and design decisions underlying the visuals included in their reports.

In conclusion, clients can often detect AI-generated consulting reports through a combination of textual patterns, questionable references, and distinctive characteristics of images and visualizations. Generic charts, inconsistent visuals, missing methodological details, and repetitive graphic templates may signal the involvement of automated tools in report creation. While generative AI offers powerful capabilities for accelerating research and

visualization, its outputs require careful human oversight to ensure accuracy, credibility, and client trust. Consulting firms that fail to integrate strong quality control processes may risk reputational damage and client dissatisfaction if their AI-assisted reports appear superficial or unreliable. Consequently, responsible governance and expert review remain essential components of AI-enabled consulting practices. This case illustrates that the adoption of generative AI is not merely a technical change but a socio-technical transformation. The effectiveness of AI tools depends on the interaction between technology, human expertise, organizational processes, and professional norms. Consulting firms must therefore redesign their workflows to integrate AI responsibly. Rather than replacing human expertise, AI should augment analytical capabilities while maintaining strong quality control mechanisms. Organizations also need clear governance policies regarding AI usage, including guidelines for verification, transparency, and ethical responsibility.

3. Enhancing Realism in AI-Assisted Consulting Reports: The Role of Images and Visual Elements

The increasing use of generative artificial intelligence (GenAI) in consulting has significantly accelerated the development of professional reports. Consulting firms now employ AI tools to generate written content, analyse datasets, and produce visual elements such as charts, diagrams, and illustrations. While these technologies improve efficiency, AI-generated reports can sometimes appear generic or artificial if the visuals lack contextual relevance or authenticity. As consulting reports are intended to support high-level strategic decision-making, it is essential that they convey a strong sense of realism and credibility. One of the most effective ways to achieve this is through the careful design and integration of images and visual elements that accurately reflect the client's business environment, data sources, and analytical processes.

Realism in consulting reports refers to the extent to which the document reflects the actual operational context of the client organization. A realistic report demonstrates a deep understanding of the client's market conditions, internal operations, and competitive landscape. Images and visual representations play a crucial role in conveying this realism because they translate complex analytical findings into tangible forms that decision-makers can easily interpret. When visuals are generic or disconnected from the client's real-world context, the report may appear superficial or automated, reducing the perceived credibility of the consulting firm.

One of the primary ways to enhance realism in consulting reports is through the use of data-driven visualizations based on authentic client information. Charts, graphs, and dashboards should ideally be constructed using the client's own operational or financial data rather than relying solely on generalized industry statistics. For example, a consulting report analysing sales performance should include graphs derived from the client's historical sales data across different regions or product categories. Such visualizations demonstrate that the analysis is grounded in the client's real business operations rather than abstract theoretical assumptions. When decision-makers recognize their own data patterns in the visuals, they are more likely to trust the report's conclusions.

Another important approach to improving realism is the inclusion of context-specific visual elements that reflect the client's industry environment. Consulting reports often contain images that illustrate market dynamics, supply chains, or customer journeys. To enhance realism, these visuals should be tailored to the specific industry being analysed. For instance, a report prepared for a retail company might include store layout diagrams, consumer purchasing flow charts, or geographic market distribution maps. Similarly, a report for a manufacturing company may include production process diagrams or logistics network illustrations. Such visuals help readers visualize how strategic recommendations relate to real operational systems.

Another critical factor in achieving realism is consistency between visual elements and textual analysis. Images and charts should directly support the narrative arguments presented in the report. For example, if the report discusses a decline in consumer demand within a specific region, the accompanying chart should clearly illustrate this trend using relevant data points. When visuals and textual explanations reinforce each other, the report appears analytically coherent and credible. Conversely, if images appear unrelated to the written analysis, readers may suspect that the visuals were inserted merely for aesthetic purposes rather than as evidence-based illustrations.

Realistic consulting visuals also require clear documentation of data sources and methodologies. Professional charts and diagrams typically include information about data sources, time periods, and measurement units. For instance, a chart analysing market growth might indicate that the data was obtained from industry surveys conducted between specific years. Providing such details increases transparency and enables readers to evaluate the reliability of the visualized data. Without source attribution or methodological explanations, visuals may appear speculative or artificially generated.

4. Dimensions of Realism in Content

Realism can also be strengthened by incorporating geographical and spatial representations. Maps and location-based visuals are particularly useful in consulting reports that involve market expansion, supply chain optimization, or regional economic analysis. For example, a market entry strategy report might include maps highlighting potential growth regions, competitor store locations, or transportation infrastructure. These images allow decision-makers to interpret strategic insights within a spatial context, which enhances the practical relevance of the analysis. When such maps are based on actual geographic data rather than generic templates, they contribute significantly to the authenticity of the report.

Another method for improving realism is through the use of photographic imagery and real-world illustrations. In some consulting reports, photographs of production facilities, retail stores, customer environments, or technological infrastructure can provide visual evidence supporting the report's analysis. These images may be obtained through field visits, client documentation, or publicly available sources. Photographic visuals give readers a clearer understanding of operational conditions and organizational settings. Compared to purely abstract diagrams, photographs convey a stronger sense of reality because they represent tangible environments rather than conceptual models.

The integration of process diagrams and workflow visualizations also contributes to realism. Consulting reports frequently analyse business processes such as supply chain management, product development cycles, or customer service interactions. Visualizing these processes through detailed diagrams helps illustrate how different organizational components interact in practice. When these diagrams are customized based on the client's specific operational structure, they provide readers with a clear representation of how recommendations might affect existing workflows.

Furthermore, consulting firms can enhance realism by incorporating comparative visuals that benchmark client performance against industry standards. For example, a report might include graphs comparing the client's operational efficiency, revenue growth, or customer satisfaction metrics with those of competitors. These comparative visuals provide decision-makers with a clearer understanding of their organization's relative market position. When supported by credible data sources, benchmarking visuals strengthen the analytical foundation of the report.

Another dimension of realism involves the visual design and aesthetic quality of images. Professional consulting visuals typically follow consistent design principles, including uniform colour schemes, balanced layouts, and readable typography. While generative AI tools can produce visually appealing graphics, these outputs often rely on generic templates. To enhance realism, consulting firms should customize these visuals to align with the client's corporate branding and industry conventions. This customization ensures that the report appears professionally crafted rather than automatically generated.

Additionally, realism can be enhanced by using interactive or layered visualizations in digital reports. Modern consulting deliverables are increasingly presented through digital dashboards or interactive documents. Such platforms allow decision-makers to explore data dynamically by filtering variables, adjusting time periods, or examining regional differences. Interactive visuals create a more engaging analytical experience and enable clients to validate insights by exploring the underlying data themselves.

Despite the growing role of generative AI in producing visual elements, human expertise remains essential in ensuring that images accurately represent complex business realities. Consultants must carefully review AI-generated visuals, verify their data accuracy, and adapt them to reflect the specific context of the client's operations. This human oversight ensures that visual elements support meaningful strategic insights rather than merely serving as decorative features.

5. Conclusion

Several lessons emerge from this case. First, human oversight remains essential. AI-generated outputs must be rigorously reviewed and validated by domain experts. Second, consulting firms should implement AI governance frameworks that define acceptable uses of AI tools and establish accountability structures. Third, firms should train consultants in AI literacy, enabling them to understand the limitations of generative models and avoid over-reliance on automated outputs. Fourth, transparency with clients regarding AI use can help build trust and clarify expectations regarding deliverables. Finally, firms should implement multi-layered quality assurance processes to ensure that AI-generated content meets professional standards before delivery.

Realism in AI-assisted consulting reports is essential for maintaining credibility and client trust. Images and visual elements play a central role in achieving this realism because they transform abstract analytical findings into concrete representations of business environments and operational processes. By incorporating data-driven charts, industry-specific diagrams, geographic maps, photographic evidence, and well-documented data sources, consulting firms can ensure that their reports accurately reflect real-world conditions. When combined with careful human oversight and contextual customization, these visual strategies enable consulting reports to deliver both analytical rigor and practical relevance in an era increasingly shaped by generative AI technologies.

The integration of generative AI into consulting workflows offers significant potential benefits, including increased productivity and faster report generation. However, this case study demonstrates that improper use of AI can undermine the credibility and reliability of consulting services. Alpha Consulting's reliance on AI without adequate verification resulted in factual inaccuracies, fabricated references, and weak analysis. As a result, the client rejected the report and refused to pay the consulting fees, leading to reputational and financial consequences for the firm. The case highlights the importance of responsible AI adoption in professional services. Successful integration requires not only technological tools but also strong governance, human expertise, and transparent communication with clients. Ultimately, generative AI should be viewed as a **supporting tool rather than a substitute for professional judgment**. Consulting firms that balance technological innovation with rigorous quality control will be better positioned to maintain client trust and deliver meaningful value.