

aCE talentNET Global Consultant Study 2008-09

Introduction

What you want, when you want it, and how you want it delivered...

That's what we endeavoured to find out in the inaugural annual aCE talentNET Global Consultant Study survey, where we invited all consultants to share information about who they are; what their consulting business is about; what their wants, fears, hopes and frustrations are; and what else aCE talentNET can be doing for them to increase the value of the collective relationship.

The Study was about understanding how a Corporate Talent Agent like aCE talentNET can better serve consultants, and their consulting business. It was a chance to tell us exactly what was wanted, together with what is done well and what can be improved. It is ultimately about understanding how to increase a Consultants' bottom line, especially in these tougher economic times, thus providing targeted assistance to do just that.

Information was collected via the Online Survey (Appendix 1), together with in-depth phone interviews conducted by an aCE talentNET corporate talent agent. Not all NETWORK consultants were called, with an approximate hit rate of 10%.

Responses were gained from many sources including, but not limited to, the extensive aCE talentNETWORK, and Linked In. The total number of responses represented 10% of the NETWORK.

The Online Survey questions took approximately 15 minutes to complete. All the data collected has been collated and evaluated forming this final report. This report is now being used as the basis for the aCE talentNET strategy moving forward, focusing on developing a comprehensive Consultant Strategy for consultants forming the aCE talentNET community.

All submissions are confidential and no information will be sold. No personal information is included in the final results.

The report, as with the Study, has been split up into three parts:

1. About YOU

Understanding the demographics of the consultants

2. About YOUR consulting business

Understanding more about their business of consulting

3. About aCE talentNET

Understanding what additional services can be provided for the consultants

The key factors impacting consultants are summarised as follows:

- Current economic climate?
- Ability of consultants to generate regular income/more business? How to penetrate new markets?
- How to get the next sale? How to sell/market?
- How to know what to charge for services? How to best value the offering?
- How to focus the offering given breadth of experience?
- How to differentiate the offering given what others are doing?
- How to tap into like-minded professionals when a project dictates additional resources are required?
- How to manage the business/cashflow?
- How to stay current with latest thinking? How to apply that to existing offerings?
- How to balance delivery with the next assignment? How to flatten out the peaks and troughs?

In what is undoubtedly a tougher consulting climate with the impact only really been felt now in terms of consulting assignments being placed on hold, the aCE talentNET Global Consultant Study looks beyond the doom and gloom, instead focusing on existing business opportunities, and investigating what can be done to use that platform to optimistically ride out this downturn, ultimately coming out of it with a strong business as a result.

Denise Hall

Executive Director



Executive Summary



How Do YOU Choose?

engaging Talent to drive organisational development results for business

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Executive Summary continued

When we initially decided to conduct this Study and subsequent Report, aCE talentNET had some idea of the type of responses we would get, but not to the level and depth that we have. There are many key areas that both consultants in general, and aCE talentNET, can focus on at both a strategic and operational level to enhance mutual benefits in terms of ultimately increasing your bottom line.

To define what 'consultants' mean, for the purposes of this Report, the following characteristics were most prominent:

- Independent/owners/CEOs
- Generally older than 30
- Have been in the consulting industry for approximately five or more years
- Do not engage in targeted professional development on an ongoing basis

Words such as independence, work-life balance, flexibility, be own boss, lifestyle, get away from corporate life, autonomy, freedom and ability to determine own direction feature significantly when consultants are describing why they did indeed become a consultant.

However, so to do the words *retrenchment*, *redundancy*, *not planned*, *fell into it* which could indicate that becoming a consultant was not necessarily a focused strategic career move, but one made as opportunity presented itself.

Defining characteristics of a consultants' marketing activity

The majority of consultants will spend the same, or more, on marketing activities this year, with most spending up to \$5000 for the last financial year. In regard to understanding the ROI (return on investment) of the marketing dollar investment, less than half of consultants have a clear growth

and marketing strategy, and even fewer have clearly defined metrics defining the success (or otherwise) of the marketing spend. Thus a consultant must ask two important questions:

1. **How and where should they best spend their marketing budget for maximum impact?**
2. **How do they quantify how effective that choice was?**

The main marketing activities being undertaken to achieve growth currently are:

- Coaching/mentoring
- Keeping current of latest thinking/trends
- Keynote speaking
- Defining a Value Proposition
- Business skills development

However, the main activities chosen to be the most important to achieving growth are:

- Collaboration with different affiliates/partners
- Having a clearly defined strategy
- Keeping current of latest thinking/trends
- Defining a Value Proposition

With the main attributes to attracting business identified as:

- Keeping current of latest thinking/trends
- Reputation and cultural fit
- Accessibility, easy to find
- Clear, concise and targeted marketing



Executive Summary *continued*

To summarise, in terms of growth and marketing activities, we can draw the conclusion that what is currently happening in consulting businesses and what is thought to be important are two different things. Further, the main activities deemed to attract business to the consultancy are not what is actually happening in the business. A key consideration here is why the three areas do not align, and if they did, imagine the growth impact on the consulting business and ROI.

It can logically follow then there is any wonder the key challenges encountered (despite the many growth and marketing activities) are:

- Finding client projects
- Flattening peaks and troughs of workflow
- Being creative and innovative
- Distinguish offering
- Cashflow management

The key point here is that if there is confusion in relation to the growth, marketing and subsequent strategies from within the consultancy itself, how can it be expected that clients will be drawn to the business and growth strategies achieved?

As Independents, the main metric used is:

- Number of referrals and projects
- Profit per project

These are fairly typical in our experience, with no mention of ROI on growth and marketing activities at all.

Consultant communication channels

As for the main communication channels, many consultants have a website. But based on the preceding responses, the questions would be why? Only 20% said that a strong Internet presence is important in attracting business. So why have the website; is it a brochure only or is it to generate leads? If the website is to generate leads, then where are the metrics?

Other communication mediums that rated are:

- Keynote speaking (which only rated 16.5% in terms of attracting business)
- Running public programs
- Publishing articles

When asked about attracting business, the last two were not mentioned at all, even in the comments. Again it begs the question – why do these activities if not to attract business? Isn't that the ultimate pay back point for doing any activities?

The highest percentage by far in terms of enhancing brand, growth and marketing was Client Relationship Management (62.9%). Its closest rival at 28.9% was 'developing yourself'. Assuming this is done from a more work, and possible referral perspective, and as an independent, maybe one or two clients can provide more than enough work. However, especially in tough times, reliance on a few clients is fraught with danger. So how does concentrating solely on the clients you do have do you the best, overall?

'Developing yourself' is certainly a step in the right direction, but the key is deciding on the right what? If selling the current tool kit is not working currently, then maybe it's more about the selling than what's on offer. If it's skill development in marketing strategy and execution, and fundamental business skills specifically for consultants, then they will always have the potential to add significant value as long as the learning is actioned.

Interestingly enough, a little over half of consultants identify that 'building a business' is the priority, with the other 50% 'looking for more work' for themselves. The point around this question is that these are two fundamentally different perspectives and require different mindsets to achieve the outcome. However they should ultimately end up at the same point, more and more client projects. If that's not happening now, then it's imperative that the entire growth, brand and marketing strategy and execution are revisited.



Executive Summary *continued*

What can a Corporate Talent Agent do for your consulting business?

The key areas of assistance you are looking for from a Corporate Talent Agent are (in no particular order):

- Access to an affiliate program, where you can refer work you can't do, and in turn earn passive income
- Generate keynote-speaking opportunities
- Offer a structured consultant referral system, where you can refer consultants and once engaged on projects, you earn passive income
- Quarterly consultant get-togethers for networking and development purposes
- Coaching/Mentoring program for all consultants, equivalent your respective experience level
- Access to a list of preferred PI & PL Insurance providers
- Downloadable regular book summaries of latest global thinkers and best sellers
- And what you want to see on a website are:
- A section for all consultants to 'advertise' potential consulting projects/ project development initiatives

- A consultants 'forum', to enable discussions about all things consulting
- Consultant training and development opportunities listed
- A dedicated consultant section
- A mechanism to access teams of consultants for larger projects
- More about how the aCE marketing system works

Clearly there is much that a Corporate Talent Agent can be doing to assist consultants find more client projects. Some of these are easier to set up than others, and some take a lot longer, but each has merit and worthy of consideration. The key here though is that the consultant access all that is on offer, and avail of these offerings, to gain the most benefit. You can lead a horse to water but you can't make it drink!

Should aCE talentNET decide to rigorously pursue a strategy that delivers a comprehensive service based on the findings of this Report, it would be fair to say that some of what has been highlighted will take more time to initiate than others. Having said that, there are also a number that can be done fairly quickly. And a few we have recently initiated support the findings also.

If you always do what you've always done, you'll always get what you've always got.

