Partners in the Future:

Part 2: Leaders of Tomorrow

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Contents

Executive summary

Even before COVID-19, the consulting industry was in the middle of a period of profound change. Project delivery looks very different from how it did even just a few years ago; a firm's intellectual capital and technology assets now play almost as important a role in creating value for clients as human consultants do. And the boundaries between consulting, technology, and managed services have been breaking down, to the point where some even question whether the term "consulting" is still a relevant one.

The current pandemic will, in many ways, only serve to amplify the impact of these changes—while also adding an additional layer of complexity to the challenge facing leaders in consulting firms. Not only will they have to respond to the longer-term dynamics at play in the industry, they will also have to make the hard choices necessary to ensure the survival of their organisations through this period of intense crisis.

Effective leadership has, therefore, never been more important for consulting firms than it is today. But what it means to be a good leader in consulting has itself changed a great deal over the last decade. This is the second of a two-part report series that explores how consulting firms are rethinking what it means to be a partner—and how those partners can best be empowered to provide meaningful leadership.

The first report in this series—"The Commercial Model"—explored the role that partners play within their firm's wider business, and the changes taking place in how partners are leveraged by their firms to produce commercial success. This report builds on that research, by examining the evolution of the partnership itself, and the ways in which the partners of tomorrow will look, act, and think differently from their predecessors.

As firms become more complex, more nuanced, and more diverse, their leadership will need to change to reflect that:

- Firms now recognise the moral and commercial value of promoting diversity at the partner level. However, there is still a long way to go on this front, and few firms have tackled the systemic challenges that act to limit diversity in their ranks. Additionally, firms need to be aware that diversity does not equal inclusion, so as they focus on diversity, firms also have to enable an inclusive culture.

- The industry as a whole is partway through a journey of cultural change, as firms seek to become more inclusive and to foster a more supportive culture that places a higher value on work-life balance. Partners have a key role to play in spearheading this change.

- The cultural change will only be successful if a firm's purpose is redeveloped and intertwined around diversity. Additionally, partners need to invest time and energy into understanding their firm's sense of purpose, and act in a way that fully embodies it.

- As firms become more complex—and as more of their work is driven by technology—it will be important for partners to develop technology-adjacent skills, and to learn how to manage software and data assets just as well as they manage people.

- To succeed in the future, partners will need to be capable generalists with a rich understanding of their firm's capabilities—and, crucially, the ability to create bespoke solutions for clients that cut across them.

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It's absolutely critical that firms have a diverse leadership. Everybody knows that high performing teams require balance: You need people with different experiences in your team because they bring different perspectives to the table.

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Section 1: The need for diversity

When it comes to recruitment, we're definitely expanding the profiles of talent beyond what we had five years ago. We need people who have the right depth of expertise, as we always have, but we also need people who have the learning agility and mindset to work effectively in the business model of the future. We're moving from a world where our single business model is driven by people following processes enabled by technology, to multiple business models including one where it's driven by technology and enabled by people. And a diversity of backgrounds among our partnership will be indispensable in that model.
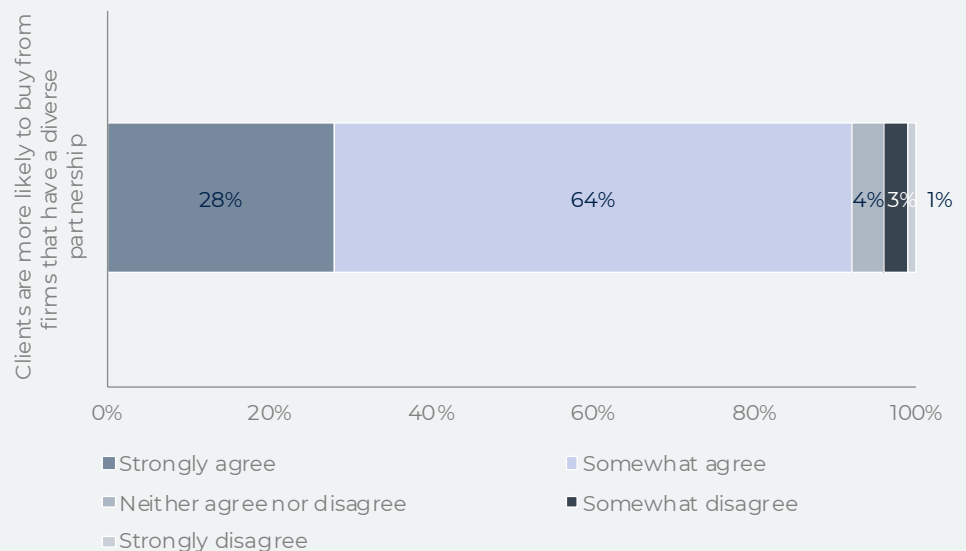Bin Wolfe, EY

It's absolutely critical that firms have diverse leadership. Everybody knows that high-performing teams require balance: You need people with different experiences in your team because they bring different perspectives to the table. And I'm not just talking about gender and racial diversity; I'm also talking about emotional diversity, and creating a partnership made up of people from a wide range of different backgrounds who all think differently from one another.
Jonathan Wright, IBM Services

The consulting industry has, to put it mildly, not always been a leader on issues of diversity and inclusion. And this problem is often particularly acute at the partnership level; partners have historically been biased towards hiring and promoting people who think, act, and look like them, resulting in a self-perpetuating homogeneity at the top levels of many firms.

However, slowly but surely this is starting to change. The partnership of today looks very different from the partnership of 10 years ago—and no doubt the partnership of 2030 will look different still. Diversity is not just a buzzword anymore; talk to leaders and hiring managers in the industry, and you will find a new-found commitment to building a partnership that is fully reflective of society.

Figure 1.1 The importance of a diverse partnership to winning work

Clients are more likely to buy from firms that have a diverse partnership

| 28% | 64% | 4% | 3% | 1% |

- Strongly agree
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree

Increasingly, clients are saying they will only work with diverse project teams. And I think that's great; firms have to be responsive to the needs of their customers, so client pressure can be a powerful way of forcing some of the older law firms and consulting firms—which can sometimes be a bit stuck in their ways—to adapt to the new world.
Wendy Conway Schmidt, Deloitte

There are a number of advantages to creating a more diverse partnership:

- Being able to bring different perspectives to bear on client problem statements increases the chances of finding novel and innovative solutions

- Clients are also starting to take issues of diversity and inclusion more seriously—and many will be reluctant to buy from a firm they perceive as inactive on this front (Fig. 1.1)

- A more diverse partnership and a clear commitment to inclusive working practices makes your firm more attractive to young graduates, and improves your ability to retain top talent

But more than anything, it's simply the right thing to do. Any firm that seeks to play a positive role in the communities in which it works has to start by taking a serious look at the make-up of its partnership, and what that says about its organisational culture and values.

Studies have shown that there are tangible benefits to having a more diverse leadership team.

Diversity isn't just the latest in a series of buzzwords. Studies have shown that there are tangible benefits to having a more diverse leadership team. In strategy work, by definition, there's no one correct answer; when you're given a case, there are different ways of approaching it, and different people will attack it differently based on their own unique perspective.
Lisa Dauber, Oliver Wyman

One of the reasons you want partners in your firm who've come from external organisations is that they can apply an outsider's perspective to your internal operations. It's much easier to identify improvements to processes or ways of working if you haven't spent your whole career at the firm.
Paul Clark, EY

A lot of consulting firms hire graduates from the same handful of universities, which can create a situation where everyone in the firm has the same way of thinking. And those universities themselves often don't have much diversity among their students—which means that the problem becomes self-perpetuating.
Anonymous

When we talk about diversity within the consulting industry, we are really talking about two different concepts:

- Diversity of perspectives: the mix of partners with different professional backgrounds, different thinking styles, and different skillsets

- Demographic diversity: gender balance, representation of people of colour, LGBTQ people, people with disabilities, and so on

While these two concepts often overlap—and improving along one dimension often leads to improvement along the other—they do not always go hand in hand. And the former has typically been less of a challenge for the industry than the latter; leading firms have always recruited from a wide variety of different sources in an effort to introduce new perspectives and thinking styles into their partnerships.

Figure 1.2 The professional backgrounds of partners

Figure 1.2 The professional backgrounds of partners

Only worked at current firm: 17%, 35%, 9%, 3%
Charity/non-profit sector: 3%, 3%, 3%, 3%
Public sector: 36%, 32%, 35%, 41%
Private sector: 59%, 51%, 62%, 66%
Freelance consulting: 41%, 32%, 56%, 34%
Other types of professional services firms: 55%, 38%, 62%, 69%
Other consulting firms: 57%, 46%, 56%, 72%

0% 20% 40% 60% 80%

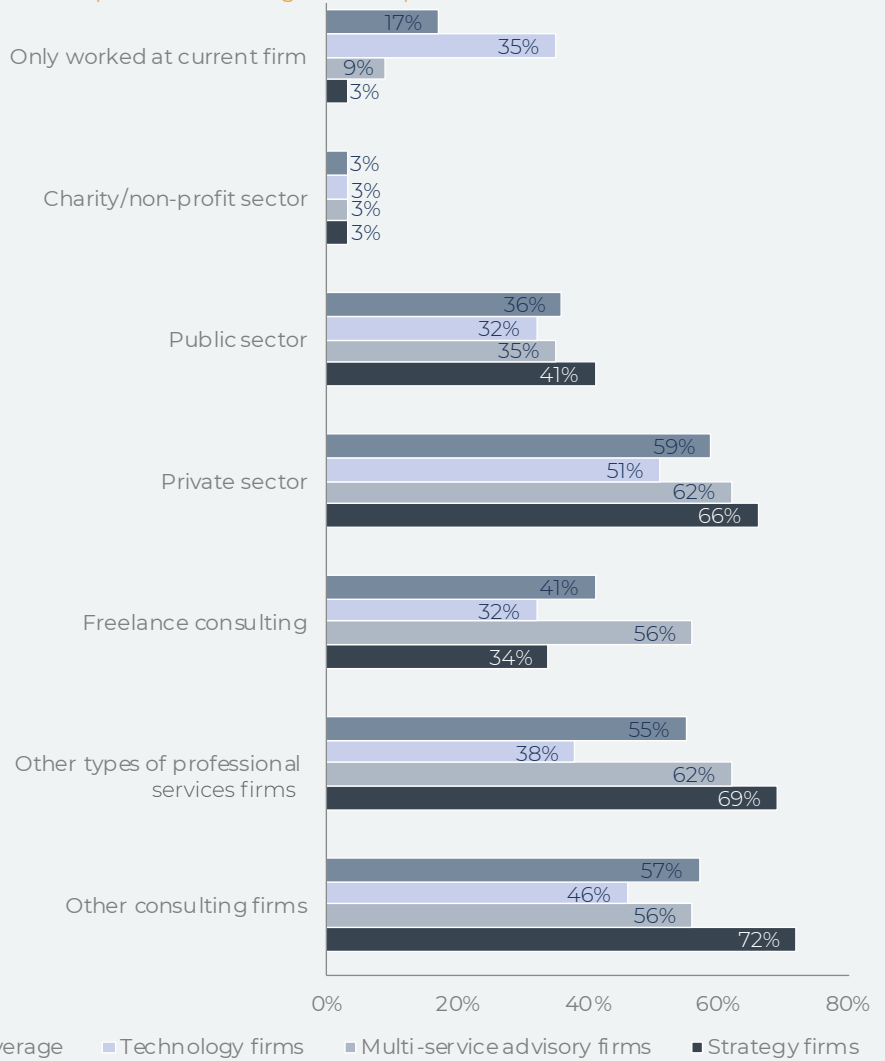■ Average   ■ Technology firms   ■ Multi-service advisory firms   ■ Strategy firms

Fig. 1.2 shows the mix of professional backgrounds among partners participating in our study—and reveals the extent to which firms actively recruit both from different parts of the professional services industry and from outside it.

The one glaring exception is the non-profit sector. This is understandable, of course; charities are not typically big buyers of consulting services, so there are relatively few opportunities for these two worlds to intersect. But firms could benefit from more partners with third sector experience—if nothing else, it might help galvanise their partnerships around issues of corporate and social responsibility.

Notably, partners at technology-oriented consulting firms were far more likely than any others to have had no professional experience outside of their current firm: 35% of them had only ever worked for one organisation, compared to 3% of partners at strategy firms and 9% of partners at multi-service advisory firms. Across most of the industry, the idea of the "company man" is firmly on its way out—but not, it seems, among technology firms.

We don't see diversity and inclusion as just a talent-driven initiative...

We don't see diversity and inclusion as just a talent-driven initiative; it's a business imperative. We want a partnership with diverse perspectives and diverse experiences. And that diversity comes in many different forms. It's not just about the obvious things like having more women in leadership roles; it's also about different educational and cultural backgrounds, experiences in different markets, emerging versus developed, East versus West, financial backgrounds versus technology backgrounds, consulting backgrounds versus industry backgrounds, and so on. When we talk about diversity at EY, we mean it in the broadest possible sense.
Bin Wolfe, EY

More and more, firms are hiring people who don't fit the mould of a traditional consultant; firms are increasingly looking for people with creative skills. Those people don't want to come to work in a suit and tie every day; they want a space to create and innovate, and they want the freedom to be able to do that in a way that works for them. As firms become more focused around digital, they have to strike the right balance between technologists and creatives, and that means creating new office environments, new ways of measuring success, and a new working culture.
Hugo Walkinshaw, AntWorks

A diverse workforce and a diverse partnership have been very important for all of the firms I've worked for—and for good reason. The more different perspectives you can bring to a problem, the better; there's just more energy and creativity in the firm when you have a diverse workforce. If your workforce is too white and too male, you're almost certainly missing out on a huge amount of talent.
Wendy Conway Schmidt, Deloitte

Demographic diversity has been more of a challenge for the industry, and one that many firms are still grappling with. While comprehensive sources of data on industry demographics are hard to come by, there are some indicators that can show us the scale of the problem. In the UK, large companies are compelled by law to release annual reports documenting their demographic pay gaps. Fig. 1.3 summarises the most recent reports released by Big Four firms; if these figures are indicative of the industry as a whole, it is clear that firms still have a long way to go on this front.

Figure 1.3 Self-reported pay gaps of Big Four firms in the UK

	Mean gender pay gap	Mean gender bonus gap	Mean ethnicity pay gap	Mean ethnicity bonus gap
Deloitte	18.7%	51.1%	14.5%	42.9%
EY	18.2%	42.6%	14.0%	28.7%
KPMG	18.6%	48.1%	14.1%	40.4%
PwC	9.7%	30.6%	10.8%	39.4%

The fact that all of these firms have bonus gaps well in excess of their base pay gaps strongly suggests that women and people of colour are less well represented the higher up in the organisation you look. And while it may not be fully reflective of the industry as a whole, it is notable that the demographics of our US study tell a broadly similar story. Of the 100 participating partners, only 33 were women and only 14 identified as non-white (for comparison, people of colour make up 39% of the total US population).

I think the big firms have been improving when it comes to gender balance among their partnerships and representation of minorities. And there's also a growing awareness of the need for geographic diversity—particularly for firms like ours with offices around the world.
Paul Clark, EY

When I started in the industry, there was definitely a 'type' of person that consultancies recruited. And that sometimes resulted in groupthink. That's incredibly dangerous for a consulting firm; as a consultant, you're there to help clients with breakthrough thinking and bring alternative ideas and alternative perspectives. That's why so many firms are making a real push at the moment to promote a diversity of thinking styles within their organisation.
Lorraine Mackin, KPMG

...there's just more energy and creativity in the firm when you have a diverse workforce.

But despite the scale of firms' pay-gaps, most partners are remarkably positive when asked to self-assess sector diversity. We asked participants in our study to rate both the wider industry and their own firm out of 10 on a number of different axes of diversity. And as Fig. 1.4 shows, they generally gave high marks across the board, with the sole exception of LGBTQ representation.

Figure 1.4 How partners evaluate their firms and the wider industry on different axes of diversity
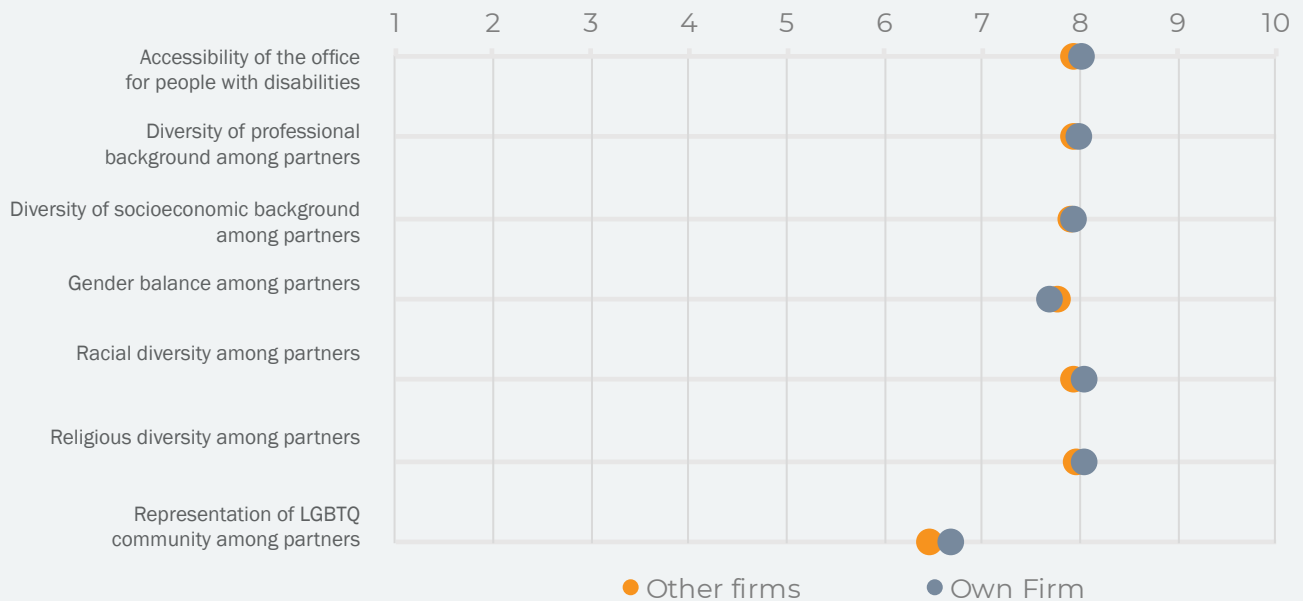

Respondents were asked to evaluate their own firm and the wider industry, where 1 is "very poor" and 10 is "very good"

This positivity does not seem to be the result of overt perception bias; of male partners, for example, not seeing blatant sexism clearly visible to their female colleagues. When we break the data down along demographic lines, we find almost no variance between segments: White partners and non-white partners gave their firms almost identical ratings for racial diversity, for example.

The exception is, again, LGBTQ representation. Interestingly, LGBTQ partners were notably more positive about their firm's representation of their community than their colleagues were (Fig. 1.5). This is possibly the result of LGBTQ partners gravitating towards firms that go out of their way to build links to that community, meaning that those firms end up with greater partner diversity than the industry as whole.

Figure 1.5 How partners rate their firms on LGBTQ representation
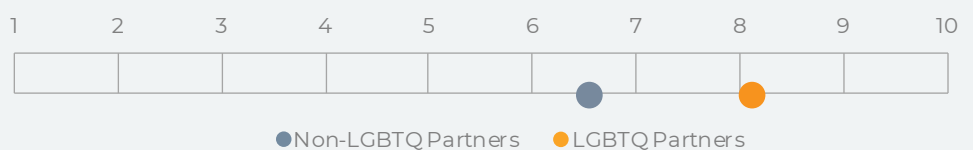
Representation of LGBTQ community among partners

A firm that has a diverse partnership benefits from the resultant diversity of perspectives...

A firm that has a diverse partnership benefits from the resultant diversity of perspectives; different partners see a situation in different ways and have different ways of working through problems with their clients. And they can help you see things you wouldn't otherwise have been able to. For example, there are some markets where we already perform very well—and when we bring in new partners with more of a technology consulting background, they're able to very quickly see new opportunities for growth. Our goal as a firm is to create an environment with a true sense of belonging for everybody, so that we can build a truly diverse partnership.
Bin Wolfe, EY

How are we to make sense of an industry where partners give their firms high marks for diversity—but where there are clearly systemic and deeply entrenched representation challenges at the highest levels of their organisations?

This is an industry that has gone through a substantial amount of cultural change in a very short period of time—but only at the surface level. For a long time, the culture of many firms was such that it was not uncommon to encounter explicitly racist, sexist, or homophobic attitudes. But increased public visibility of issues relating to diversity and inclusion has led firms to take a hard line on this—and most have been very successful at rooting out these attitudes and embedding positive attitude change.

However, just because you are now unlikely to hear sexist jokes being made in a firm's office, that does not mean that the underlying structural issues stifling diversity have been addressed. Consulting is still a relationship-driven industry, and making partner still requires impressing the people who are already there. If anything, the surface-level improvements (which, make no mistake, have been remarkable) have led to a sense of complacency among partners. In reality, concerted effort is still needed if partnerships are to better reflect the wider working population.

I probably receive an email a week from someone I've worked with saying, 'Here's a good person looking for a new role—why don't you consider them for your team?' That's just how a lot of recruitment happens in our industry. But by definition, that's not going to lead to a diverse workforce; if you're only hiring people who've been around for a while and have done work with your contacts, the industry will never get any more diverse than it already is. So when I get those emails, I'll consider them—but I'll put them on a slate alongside other qualified candidates. And if that slate isn't diverse enough, I'll push for us to look at more female candidates, more people of colour, and so on. And that might mean looking outside of the industry for people who don't have much consulting experience yet but could be trained up.
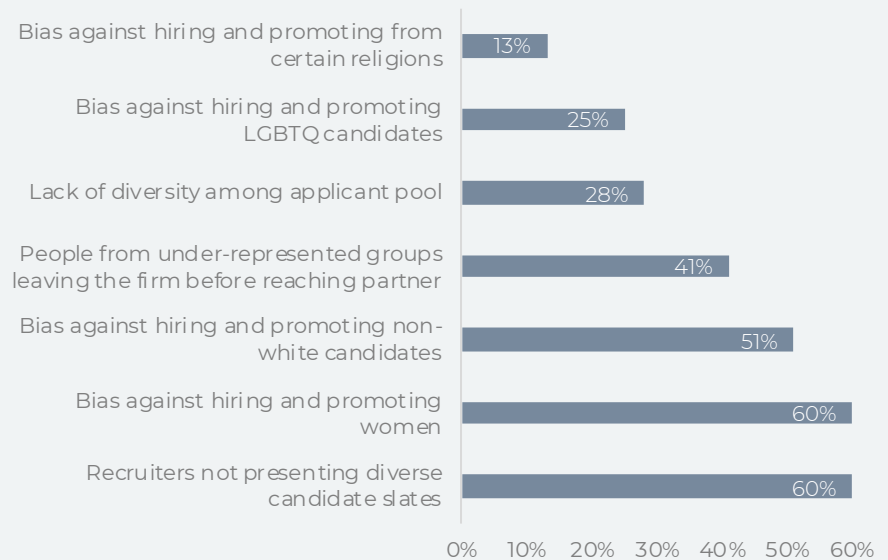Jonathan Wright, IBM Services

Executive diversity has become almost a table stake…

Executive diversity has become almost a table stake; we've definitely noticed that clients and prospective employees are now evaluating our business through that lens. But more than that, diversity makes our firm a more interesting place to work. Every day I come to the office and get to work with people from different countries, different backgrounds, and different parts of the world. It's a much more interesting dynamic to work in when everyone has their own different perspective they're bringing to the table.
Charles Vivian, North Highland

This is not to say that partners are wholly blind to the very real hurdles that still need to be overcome. When we asked partners which specific barriers to diversity they had seen evidence of within their firm (Fig. 1.6), 60% acknowledged the existence of bias against hiring female candidates, and 51% similarly said that their firm had a bias against hiring candidates of colour.

Barrier	Percentage
Bias against hiring and promoting from certain religions	13%
Bias against hiring and promoting LGBTQ candidates	25%
Lack of diversity among applicant pool	28%
People from under-represented groups leaving the firm before reaching partner	41%
Bias against hiring and promoting non-white candidates	51%
Bias against hiring and promoting women	60%
Recruiters not presenting diverse candidate slates	60%

However, one of the most common reasons given by partners for the lack of diversity in their firms was not hiring bias—but a lack of diversity among the candidate slates being presented by recruiters. This suggests that if firms really want to crack the diversity code, they will have to work hand in hand with their executive search partners.

Ultimately, diversity at the partnership level can only be achieved by a recognition of the importance of longer-term strategic planning around diversity hiring, and a willingness to redesign key elements of the hiring process (at both ends of the recruiter/client relationship). Successful interventions include:

- Lengthening recruitment cycles to allow for more time to build trust with diverse candidates

- Making gender-balanced shortlists standard procedure

- Being open to diverse talent at all times, and making roles available whenever there is a talented candidate

- Taking time to understand the universe of talent through mapping of competitor teams

- Ensuring candidates are seen by a diverse pool of relevant interviewers

- Providing candidates with mentors for the interview process

- Building a reputation as a company that values diversity and that can offer great careers to candidates who aren't white, male, able-bodied, or straight

There are two main drivers that motivate us to try to build a diverse partnership—above and beyond the moral and ethical considerations, which we take as a given. Firstly, the more diverse the group of people around the leadership table, the higher the quality of debate you get, which in turn increases the chances that you end up with effective ideas and solutions. And secondly, a diverse partnership represents a massive value-add, both from a client perspective and an internal perspective. Clients want their projects to be less 'white, male, and stale'; they recognise that diverse project teams result in richer solutions. And internally, it's essential that people across all levels of the business have role models that they can look up to and relate to, inspiring the next generation of leaders in the firm.
Adrian Bettridge, Baringa Partners

Diversity should start at recruitment; firms ought to be telling their recruiters to put forward diverse candidate slates. But then you also have to make sure that once you get people into your organisation, you're giving them the right level of support and providing them with development opportunities.
Wendy Conway Schmidt, Deloitte

> *Diversity should start at recruitment; firms ought to be telling their recruiters to put forward diverse candidate slates.*

Issues of accessibility have been a particular challenge for many firms. While there is not much that a firm can do to control the accommodations that exist in their clients' offices, they can at least take steps to make their own facilities more accessible to employees and customers with disabilities.

Fig. 1.7 shows the accommodations that currently exist at the firms of partners in our study. And while many firms still have a long way to go—only 51% of firms have wheelchair-friendly offices, for example—it is at least a positive sign that the vast majority of firms that lack specific accommodations are taking steps to rectify that situation.

Figure 1.7 Accessibility accommodations at consulting firms
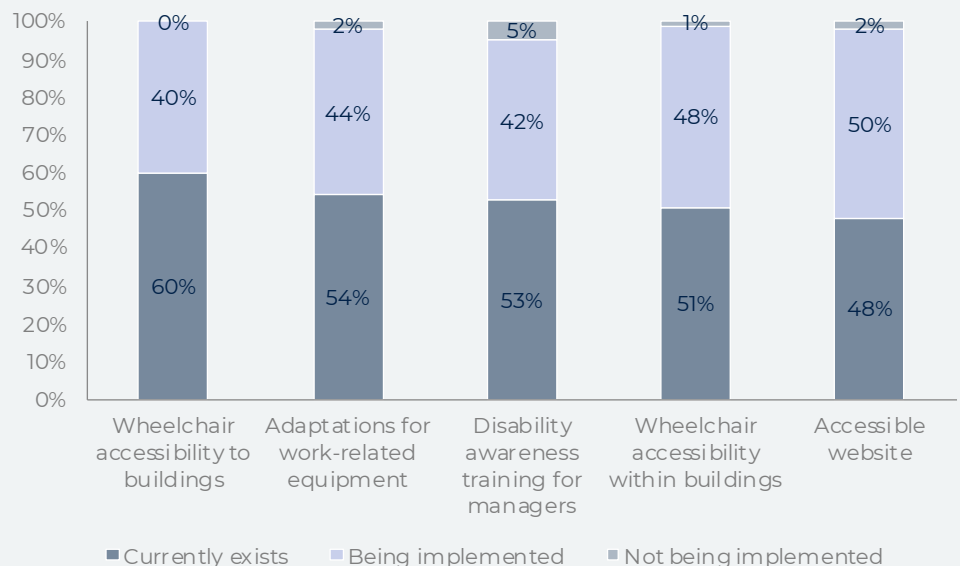
Diversity and inclusion only works if its spearheaded by the leadership. For example, when I was working in Singapore there was a partner there who cared passionately about disability access; he set up an initiative to find opportunities for university graduates with disabilities, either in internships or full-time roles.
Anonymous

Our firm has made big strides over the last few years in terms of ethnic diversity and LGBTQ representation. I think the axis of diversity that we've struggled the most with is gender balance. A lot of women choose to leave the industry before reaching the partner level, either because the culture isn't a fit or because they want to start a family and don't have access to the flexible working options they could get in other industries. And that means that there's lots of competition between firms for the relatively small number of women who do stay in the industry and reach high-level roles.
Charles Vivian, North Highland

It's not enough any more to just hire academically bright people...

One of the big shifts I've seen over the last 20 years has been the increased importance of having a diverse experience base at every level of the consulting organisation. It's not enough any more to just hire academically bright people; you need smart people who also have diverse experiences and skillsets. You want people who've worked in the industry, people with data science backgrounds, people with digital implementation experience, and so on. The more diverse the thinking profiles of your consultants, the better; consulting can no longer be the ivory tower it once was.
Vikram Chakravarty, EY

At Baringa, we've been very deliberate in our approach to boosting the diversity of our leadership teams by focusing on inclusivity. The more inclusive we are in our culture, events, governance, and approach to running the firm, the greater the opportunity for diversity, and the corresponding richness that comes from it, to thrive. As well as sponsoring diversity-related events, we've taken specific actions to improve our ability to hire and retain diverse candidates. For example, we've made our promotion process more transparent, and brought more data into the process to remove as much unconscious bias as possible from it. As a result, we are making progress, with over 40% female workforce, and about 25% of our partners and directors being female—although we want that to get to 30% as soon as possible—and that inclusion and diversity is of continued strategic importance and focus for us.
Adrian Bettridge, Baringa Partners

What does this mean for your firm?

➤ **Identify sectors that are under-represented among the backgrounds of your partners, and consider recruiting more heavily from those sectors**

➤ **Ensure that your surface commitment to partner diversity is matched by investment in measuring systemic discrimination in your organisation, and clear, targeted action to address it**

➤ **Conduct an accessibility audit of your offices and services and act on the findings**

➤ **Work with your external recruiters to identify ways in which you could, together, improve aspects of your hiring process and eliminate bias**

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One of the most effective things that you can do as a leader to promote diversity is to create space for people at a junior level of the organisation to run their own initiatives.

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Section 2:

Building a more inclusive partnership

I personally think a lot about the emotional, mental, and physical well-being of my team. Everything is connected; you have to manage your life holistically, because nobody can completely separate the personal and the business side of their lives. That's why 'work-life' balance can be a misleading term. I think that, often, it's more helpful to talk about overall wellness and work-life integration instead. And people need different things at different stages of their lives; it all comes down to what kind of lifestyle someone wants, and how their professional life supports or works against that desired lifestyle.
Bin Wolfe, EY

One of the most effective things that you can do as a leader to promote diversity is to create space for people at a junior level of the organisation to run their own initiatives. Often, that's much more effective than trying to impose change from the top down. For example, some of our female technologists came to us because they wanted to run a scheme to improve female representation in our technology practice, and we gave them the support and the partner backing that they needed to make it a success.
Lorraine Mackin, KPMG

In the preceding section of this report, we concluded by arguing that firms still have a long way to go when it comes to rooting out bias within their organisations and promoting diversity at the partner level and below. Here, we turn to the question of what specific steps firms can take if they're serious about converting their commitment to diversity into demonstrable change.

Fortunately, most firms do recognise that improved diversity among their partnership is not something that can be left to happen organically. As Fig. 2.1 shows, 88% of partners say that their organisation has proactively taken action on this front. And Fig. 2.2 details what that specifically means in the context of their firms.

Figure 2.1 The percentage of firms that have taken deliberate steps to improve partner diversity

- 12%
- 88%

■ Have taken actions to improve partner diversity

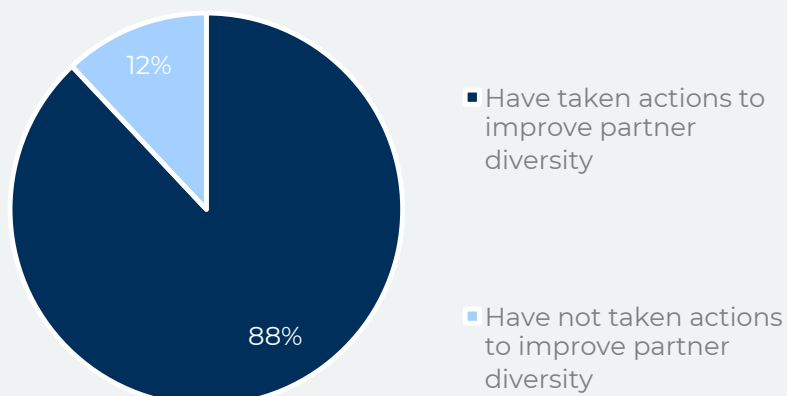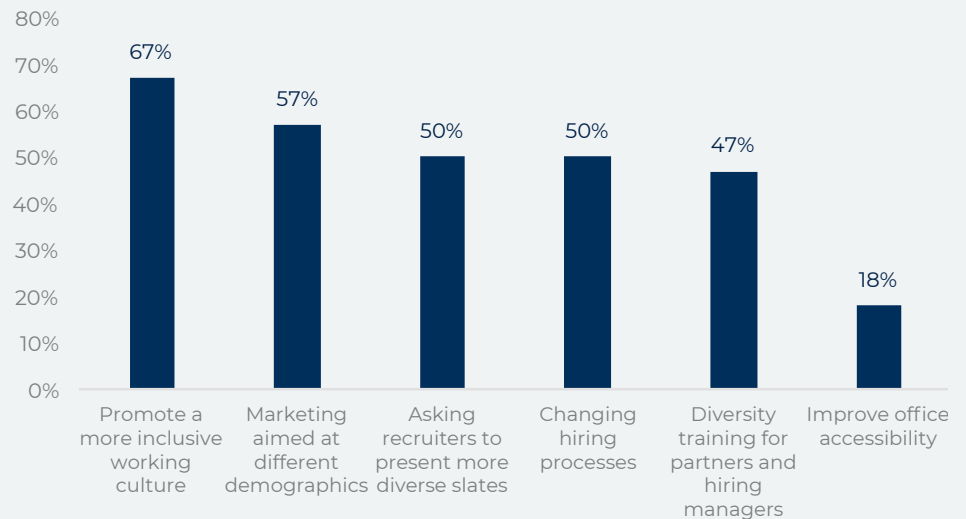■ Have not taken actions to improve partner diversity

Figure 2.2 The specific steps firms have taken to boost partner diversity

It is clear from this data that firms have zeroed in on culture as the key problem that must be solved in order to foster a diverse partnership. Changing hiring processes and attracting more diverse candidates is important—but won't mean very much if those candidates turn down your job offer or leave shortly after joining because they were put off by the toxicity of your culture.

Diversity without inclusion won't get you very far. The onus is on existing partners to create an environment where new joiners from under-represented groups feel like they are able to thrive and advance within the firm, and that they are not at a disadvantage relative to their peers. There are a number of simple steps that firms can take to work towards this goal:

- Running diversity and inclusion training for project managers and HR professionals

- Setting up support networks and mentoring programmes for women, people of colour, LGBTQ consultants, and other under-represented groups

- Providing clear communication channels for employees who experience workplace abuse or harassment

- Consulting with outside advocate groups who can identify barriers to access and help work to redress them

...if you haven't coupled your focus on diversity with a commitment to inclusion then none of it means very much.

Diversity in isolation isn't enough. You can be hitting all the right metrics, but if you haven't coupled your focus on diversity with a commitment to inclusion then none of it means very much. It's not good enough just to put people in senior roles; you have to support them once they're there and create a culture that allows them to flourish.
Hugo Walkinshaw, AntWorks

If you take an organogram and look at where attrition rates in a consulting firm are at their highest, you can generally map that to the bits of the business run by partners with more of an old-fashioned perspective. The fault lines in the organisation almost invariably trace back to some example of poor leadership; maybe someone who's resting on their past commercial success but gets away with, at best, being passive and at worst being aggressively wrong on issues of diversity and inclusion.
Anonymous

What more firms need to recognise is that issues of diversity and inclusion are really just part of a much larger conversation about behavioural change. Consulting has always had something of a culture problem: Too often in the past, it has been an industry where success was determined by how ruthless you were prepared to be and how much you were willing to sacrifice in the pursuit of your career goals. And any consultant who has been around for a while knows the experience of sitting around the office and trying to one-up colleagues with stories of burning the candle at both ends.

However, attitudes are starting to change. Industry leaders by and large recognise the need to create a healthier and more supportive working environment—and that this goes hand in hand with the promotion of firm-level diversity. An overly individualistic and clique-driven culture naturally lends itself to the formation of in-groups and out-groups, and to the exclusion of women and minorities. And so actions taken with the intent of improving the day-to-day working experience for everyone at the firm can have the long-term effect of creating a more diverse and inclusive organisation.

Eighty-five percent of partners agree that work-life balance has been improving over the last few years (Fig. 2.3), and this looks like a trend that is set to continue through the near future. Partly, firms' hands have been forced on this issue by the changing dynamics of the talent market.

A decade ago, firms were competing for top talent against investment banks and other sectors with similar reputations for tolerating cut-throat, "win at all costs" corporate cultures. But now, consultancies are having to make themselves attractive to applicants who would otherwise apply for jobs at leading technology firms—many of which pride themselves on promoting a healthy work-life balance and offering employees relevant lifestyle perks. Firms have had to go through a cultural evolution in order to remain a top-choice destination for talented graduates.

Figure 2.3 Partners' views on work-life balance in the modern consulting industry
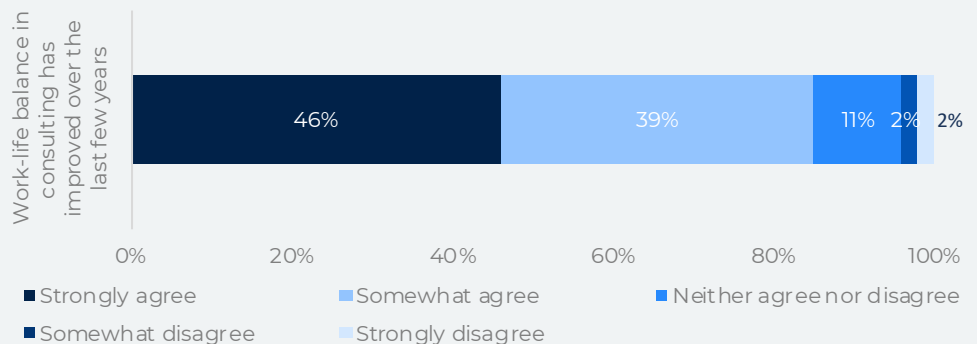
There's a lot of emphasis these days on creating a positive working culture, through focusing on issues like unconscious bias, mental health, and work-life balance. In some ways, this represents a resurgence; a lot of these topics were things people talked about in the US 15 years ago, and now they're back on the agenda, but with a slightly different focus. At Oliver Wyman we have a very strong sense of values and ethics all the way to the top of the organisation. There is a strong sense of team collaboration overall.
Lisa Dauber, Oliver Wyman

There's a sea change underway right now in terms of how firms think about diversity and inclusion. There's more and more training now for partners on these issues; firms are realising that they have to get their leaders to take an active role in creating an inclusive working environment. And that's happening for two reasons–firstly, because it's the right thing to do, and secondly because the workforce, especially the younger workforce, are really pushing for it. Ten years ago, people were happy to blame millennials; now, people are recognising that that younger generation are a key driving force for positive change.
Hugo Walkinshaw, AntWorks

...a lot of these topics were things people talked about in the US 15 years ago, and now they're back on the agenda, but with a slightly different focus.

Firms are a lot better now than they were 10 years ago at setting honest expectations with clients around work-life balance.

Firms are a lot better now than they were 10 years ago at setting honest expectations with clients around work-life balance. There's an understanding that, yes, occasionally you might need to put in a long day to get a deliverable finished on time—but if that's being repeated regularly, then something's probably going wrong at the project management level, either on the client's side or the consultants' side.
Lorraine Mackin, KPMG

We can see evidence of firms acting on this commitment to cultural change when we look at the number that have begun offering employees flexible working options. This can mean any or all of:

■ Staggered or compressed hours

■ Part-time roles and job shares

■ Working from home

As Fig. 2.4 shows, 90% of firms have embraced at least some forms of flexible working. And this data was collected prior to the onset of COVID-19. The pandemic has, by necessity, accelerated the shift towards flexibility; and even when it recedes, we expect that virtual and remote working will remain the new normal for many firms.

Figure 2.4 The percentage of firms offering flexible working options
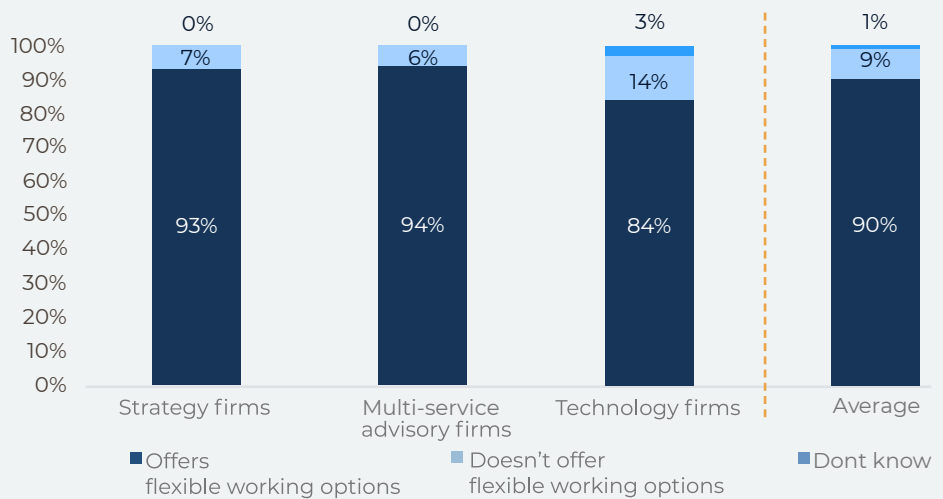
Flexible working is a perfect example of how initiatives intended to improve the experience of a firm's entire resource pool can also lead to a more inclusive working environment, as demonstrated by Fig. 2.5. We found that female partners were measurably more likely to have taken advantage of their firm's flexible working policies than their male colleagues; while everyone benefits from being able to work on their own terms, women benefit disproportionately. More initiatives like this could help firms become not just better places to work, but more attractive career destinations for talented women, people of colour, and members of under-represented minorities.

Figure 2.5 The percentage of partners who have taken advantage of their firm's flexible working options
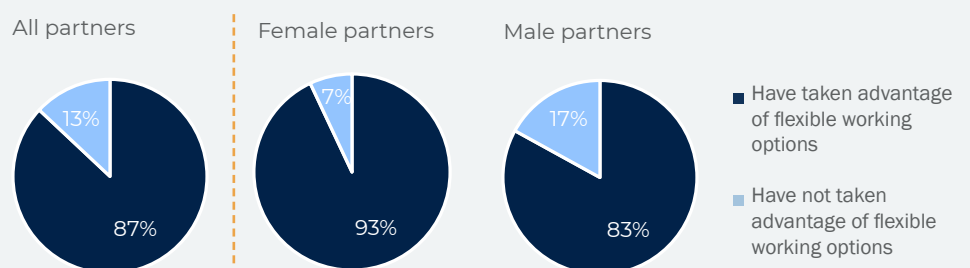
Programmes for women in consulting can be a powerful way of addressing the gender imbalance among firms.

Programmes for women in consulting can be a powerful way of addressing the gender imbalance among firms. Different people leave firms for different reasons, but flexible working policies combined with women's-only mentoring and development programmes can make it much easier to retain your top talent —and make sure that they don't leave before reaching partner level.
Wendy Conway Schmidt, Deloitte

Work-life balance is something that has to be constantly under scrutiny in our industry. Because if a partner sells a project and overcommits, then the negative consequences of that end up filtering downwards to the people who have to actually deliver the work. It's very easy to get into cycles where you're constantly trying to deliver too much without enough resources, and everyone is constantly under immense amounts of pressure. At Oliver Wyman there's a strong focus on getting it right and ensuring we uphold an acceptable work-life balance on each project.
Lisa Dauber, Oliver Wyman

In my part of the organisation, we've set up what we call a 'shadow board', which is a team of members of staff from all grades who shadow our partner board and give us regular feedback on how we're performing as leaders. I think that's been a really positive way to give more of a voice to people at more junior grades, and to generate useful feedback and partners to develop their leadership.
Lorraine Mackin, KPMG

At our firm, we've been promoting flexible ways of working. It certainly helps that video conferencing has become more acceptable to clients, and that new tech tools can enable people to collaborate effectively even when they're working from different locations. But there's a balance you have to strike—and you have to recognise that in-person connectivity is still important. For example, we still want most people to be in the office on Fridays so that everyone gets to see each other and build personal relationships.
Christian Edelmann, Oliver Wyman

What does this mean for your firm?

➤ **Capture the cultural health of your organisation through regular snapshot surveying of employees**

➤ **Provide specific support structures for members of under-represented groups**

➤ **Ensure that your assessment and review processes incentivise results over and above hours worked**

➤ **Provide flexible options that work for your employees—and ensure managers are actively encouraging employees to use them**

"

The success criteria of the past— 'Do your deliverables align with the terms of the contract?'— are now just one small part of the story.

"

Section 3:

A sense of purpose

I think that having kids changes your perspective on a lot of issues. I have an 18-year-old and a 16-year-old, and when I moved into my current role working on AI-related topics, they gave me a lot of feedback at the dinner table about how I was taking away their jobs. Younger people just have different attitudes about a lot of this stuff; they've definitely helped keep me honest over the years.
Hugo Walkinshaw, AntWorks

We make no bones about the fact that commercial success is a key driver for us. But at the heart of our purpose is our award-winning culture—and it's our people that are the centre of that culture. At Baringa, we care about the whole person—their given circumstances, their families, their physical and mental health and well-being. And we want to do our part to help people thrive in the workplace and support them through the ups and downs of life, equipping them to be their best.
Adrian Bettridge, Baringa Partners

It should be clear from the previous section of this report that firms are now seriously engaging with the question of how to create a better working environment for their employees and their partners alike. This is always a complex process, with many moving pieces to consider. But the starting point for any firm serious about cultural change has to be defining a sense of purpose. And partners have a key role to play not just in determining this purpose, but also in embodying it and bringing it to life.

"Purpose" can mean different things to different firms, but broadly speaking we define it as any attempt to answer the question of, "Why does our organisation exist? What are we trying to do as a business beyond simply making money?" No two firms will answer that question in exactly the same way, but all would be well served by pondering it. A strongly articulated sense of purpose brings with it a number of advantages:

- Clients feel better about working with firms that have a clear purpose

- Talented young consultants want to feel like their work is having a positive impact on the world, and are more likely to apply to purposeful firms

- A well-crafted sense of purpose can act as a lodestar, helping firms to avoid taking on projects that have a social impact while simultaneously serving as the glue that binds together disparate capabilities and service lines

We think our purpose is starting to change the way that clients see EY. Because it's still new, we're still figuring out the best way to tell our stories; I expect that in the future it's going to have even more of an impact, when we really engage and build relationships led by purpose.
Bin Wolfe, EY

Most partners will tell you that their firm has a sense of purpose, at least in an abstract sense. But not all firms have put the same amount of effort into turning that abstract notion into a clear and concise statement that can be used to inspire action and that the entire organisation can rally around.

Fig. 3.1 shows that 87% of firms have adopted a formalised statement of purpose. And we expect that one of the long-term effects of COVID-19 will be that even more firms will move in this direction. Having a strong sense of purpose is never more important than in a time of crisis, as employees—many of whom may be experiencing professional and personal uncertainty—look for something to rally around.

Figure 3.1 The percentage of firms with a formalised statement of purpose
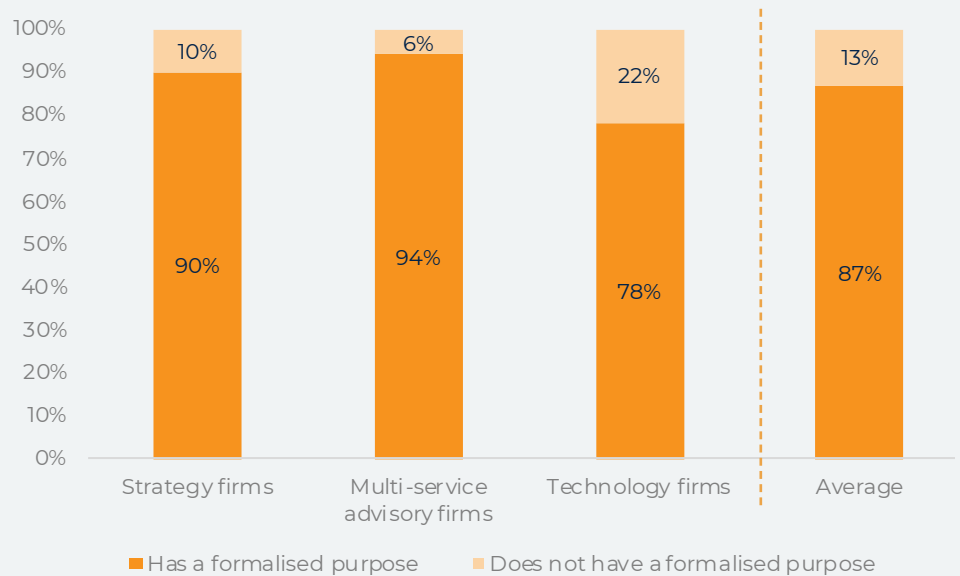
We try to maintain a strong commitment to our organisational values.

We try to maintain a strong commitment to our organisational values. And that means incorporating those values into the hiring process. I've never seen us say, 'We're going to hire this person because they're commercially brilliant even though they have completely different values from us.' On the contrary, we've turned down lots of people because we felt they'd never be a good cultural fit. We don't want to fall into the trap that firms sometimes run into, where they become too big and lose the values/culture that people hold as key to the organisation; at the same time we are growing and need to ensure we have a structure and the resources to reflect and support this growth.
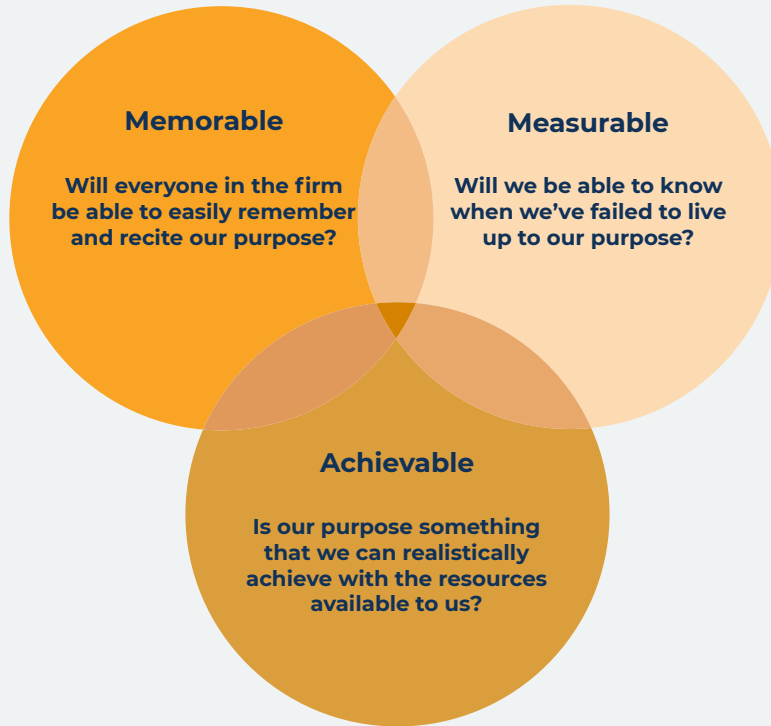Lisa Dauber, Oliver Wyman

We've recently streamlined and simplified our purpose. It's important for us not only that we have a sense of purpose, but also that it's articulated in a modern and human way, and that it can help us set clear expectations with our clients about what success looks like.
Christian Edelmann, Oliver Wyman

EY is one of the best examples of a firm that has enthusiastically and vocally embraced a sense of purpose across its organisation—encapsulated in its "Building a better working world" slogan. It is a statement with immense versatility; something that can be referenced internally during moments of decision making, but which can also be put to use in client-facing contexts, as a way of telling the world how the firm understands its place in the world.
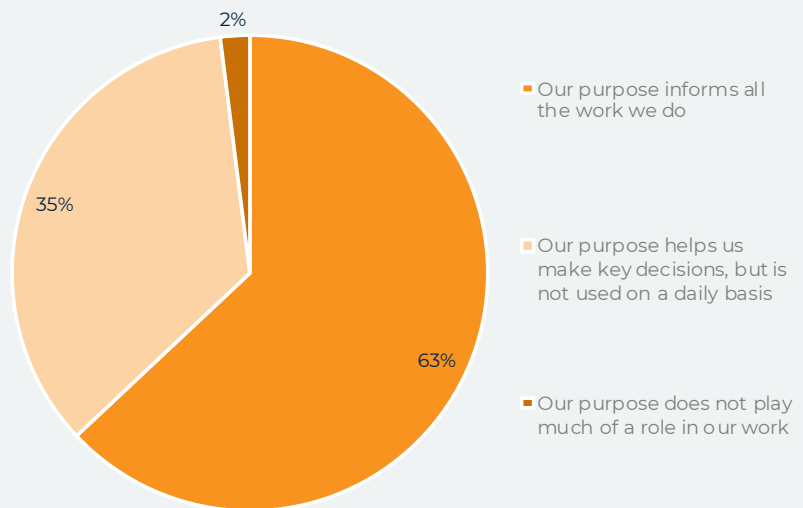
Moreover, it is a perfect illustration of the three qualities that any good statement of purpose should have (as depicted in Fig. 3.2). As a concise and alliterative turn of phrase, it is easy to remember; it is ambitious but clearly achievable for a firm of EY's scale; and it provides a clear standard against which the firm can hold itself accountable.

Figure 3.2 The three qualities of a good purpose statement

Memorable

Will everyone in the firm be able to easily remember and recite our purpose?

Measurable

Will we be able to know when we've failed to live up to our purpose?

Achievable

Is our purpose something that we can realistically achieve with the resources available to us?

This point about accountability is particularly important. A good purpose needs to be falsifiable—otherwise it is nothing more than a set of empty platitudes. The real test of whether a purpose is—for lack of a better phrase—fit for purpose is whether it leads your firm to make decisions it would not otherwise have made. And most partners seem to understand this: 77% told us that their firm has, on at least one occasion, turned down a piece of work because they felt it ran counter to their sense of purpose. And as Fig. 3.3 demonstrates, most feel that their firm's purpose plays a key role in day-to-day operations and project delivery.

Figure 3.3 The impact partners say their firm's purpose has on the work they do

- Our purpose informs all the work we do
- Our purpose helps us make key decisions, but is not used on a daily basis
- Our purpose does not play much of a role in our work

2%

35%

63%

A good purpose is more than just a piece of sales collateral or a recruitment tool (although it is both of those things). It is something that can create a sense of shared identity among a firm's partnership, serving to align a diverse group of individuals around a single common cause. Similarly, it can provide direction for those at lower levels of the organisation. It is a marker in the sand—a way of saying, "If you want to become a leader within our business, here is the sort of person you need to be and the sort of work you need to be doing." And we expect that a purposeful partnership will be a powerful differentiator for the firm of the future.
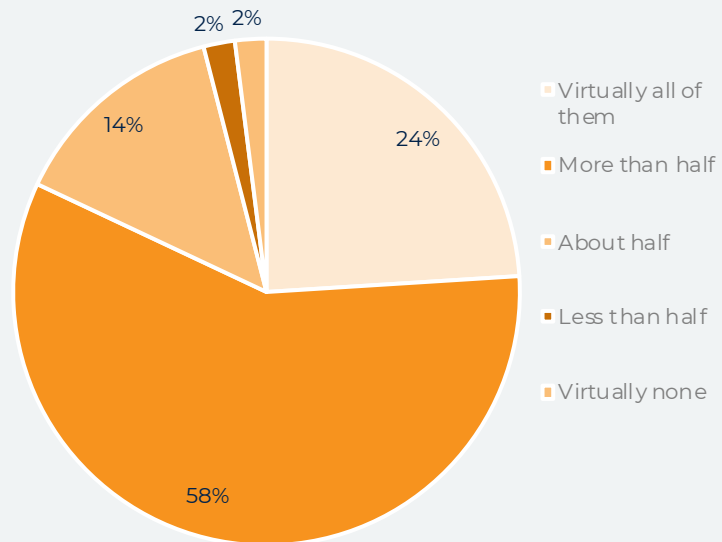
If you ask employees at Oliver Wyman, I think you'll find that they do have a strong sense of purpose. But it does vary based on their level of experience. The leadership, certainly, has a strong understanding of our purpose, and is good at articulating that and cascading it down through the organisation.
Lisa Dauber, Oliver Wyman

When I was with EY, I was constantly impressed by their commitment to their purpose. People joining the organisation at all levels seemed to really embrace it; it meant something to everybody. And that purpose helped contribute to a genuinely inclusive environment.
Hugo Walkinshaw, AntWorks

We've just started a whole exercise involving staff from across all of our propositions, looking at the question of what our purpose as an organisation is. If you look at my part of the business—Infrastructure, Government and Health—we're very clear on what our purpose is: We're delivering services for clients that improve the lives of every citizen in the UK. The public value and service improvement that we deliver through our work is massively important to us, not just as an organisation, but also for giving a sense of purpose to every individual working on one of our projects.
Lorraine Mackin, KPMG

In our last strategy, we defined our purpose as 'Building a better working world'. We landed on that partly because not only did it really resonate with people, but also because we thought it would help drive more meaningful conversations within our business about the impact of our work. What we see reflected in employee feedback is that people generally understand the purpose, but want more help understanding what it means for them personally and how it should translate to their day-to-day work. That's why our focus at the moment is on bringing that purpose down to the level of our service lines and into the work we do with our clients. For example, in our assurance business, our purpose manifests itself through a focus on building public trust; it's still building a better working world, but in the context of our work. We still have a long way to go on this, of course; it's a huge piece of work.
Bin Wolfe, EY

We've just started a whole exercise involving staff from across all of our propositions, looking at the question of what our purpose as an organisation is.

In order to be meaningful, our purpose has to live in every single action that we take as a firm. For example, we have rigorous processes in place to determine which clients we're comfortable working with. If we feel that working with a particular client would put our reputation at risk, or would work against our purpose of 'Building a better working world', then we'd rather forego the revenue.
Vikram Chakravarty, EY

What does this mean for your firm?

➤ **If you haven't already, invest time and effort into figuring out your firm's purpose and how to articulate it**

➤ **Ensure that your firm's statement of purpose is memorable, measurable, and achievable**

➤ **Make sure not only that your partners have internalised your firm's purpose, but that they are constantly demonstrating it and reinforcing it through their actions**

➤ **Implement processes for reviewing potential and completed projects to see whether they align with your purpose**

"

As the market has evolved, consulting has become less about selling a product and more about positioning yourself as a respected advisor to your clients.

"

Section 4 : The new meaning of leadership

As the market has evolved, consulting has become less about selling a product and more about positioning yourself as a respected advisor to your clients. In my mind, we're entering the most exciting period our industry has ever been through. Clients aren't just bringing us in to deal with burning platforms; they're asking us to do open heart surgery on the most critical parts of their business. And that requires a very different skillset; clients aren't going to just give you the trust necessary to do that type of work, it has to be earned.
Jonathan Wright, IBM Services

A good leader develops an intuitive understanding of their team. You just know when something's right and when something's not right.
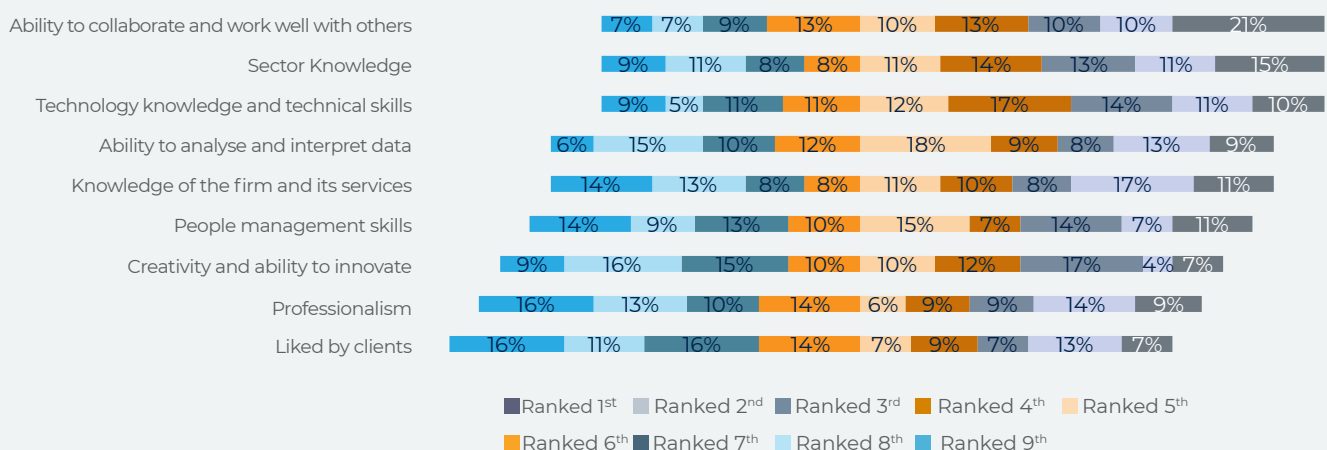Hugo Walkinshaw, AntWorks

Historically, leadership revolved around getting people to follow you based on your expertise and content knowledge. Now partners need to complement this with a more personal approach. You still need content and client impact, but you also need to cultivate an inclusive environment and build respect and trust at the personal level.
Christian Edelmann, Oliver Wyman

Over the course of this report, we have explored the changing face of the modern consulting firm—and, in particular, the make-up and attitudes of its partnership. But a changing culture brings with it a need for a new approach to leadership. More diverse leaders will bring with them more diverse management styles and the progress currently underway towards a more inclusive and healthier working environment will all be for naught if not wholeheartedly embraced and spearheaded by a firm's partners.

At the same time, firms are having to reconsider the types of skillsets that make for a successful partner. Our previous report in this series—"Partners in the Future: The Commercial Model"—looked at the growing complexity of consulting projects, and how the specific challenges faced by today's clients can only be solved through cross-functional collaboration between experts spanning multiple different service lines. And success in this new world requires a re-evaluation of the established partner toolkit.

Participants in our study were presented with a list of skills and attributes that a partner could possess, and were asked to rank them in order of how much value their firm placed on them. The results are shown in Fig. 4.1. While different firms clearly have very different views on the qualities of the "ideal" partner, there are certain skills that stand out as particularly highly prized; in particular, the ability to collaborate effectively, deep sector knowledge, and technical know-how.

Figure 4.1 The skills partners say their firm most values in its consulting leaders

Skill	Ranked 1st	Ranked 2nd	Ranked 3rd	Ranked 4th	Ranked 5th	Ranked 6th	Ranked 7th	Ranked 8th	Ranked 9th
Ability to collaborate and work well with others	7%	7%	9%	13%	10%	13%	10%	10%	21%
Sector Knowledge	9%	11%	8%	8%	11%	14%	13%	11%	15%
Technology knowledge and technical skills	9%	5%	11%	11%	12%	17%	14%	11%	10%
Ability to analyse and interpret data	6%	15%	10%	12%	18%	9%	8%	13%	9%
Knowledge of the firm and its services	14%	13%	8%	8%	11%	10%	8%	17%	11%
People management skills	14%	9%	13%	10%	15%	7%	14%	7%	11%
Creativity and ability to innovate	9%	16%	15%	10%	10%	12%	17%	4%	7%
Professionalism	16%	13%	10%	14%	6%	9%	9%	14%	9%
Liked by clients	16%	11%	16%	14%	7%	9%	7%	13%	7%

There are a lot of different layers to a partnership, and leadership can mean different things depending on which partners we're talking about. But I do think that, broadly speaking, the leaders of the future will need to become more adept at anticipating future market needs and understanding how that translates to actions the firm needs to take. The successful firm of the future will need to be adept at re-imaging its own position within the market and quickly pivoting in response to changing client demand.
Paul Clark, EY

We also asked partners to tell us which specific skills from Fig. 4.1 they thought were likely to become more important over the next five years. From their answers, we were able to identify the three skills that are most likely to become proportionally more important for partners to have, and the three that will decline in relative import (Fig. 4.2).

As machine-learning analytical tools become both more accessible and more powerful, it will become less necessary for partners themselves to be skilled interpreters of client data. Similarly, sector knowledge wanes slightly in relevance in a world where consultancies spend a good chunk of their time developing ecosystem-driven, cross-sector capabilities.

Conversely, creativity will soon become a critical attribute for partners to have. As client questions shift from the strategic—"Which new markets should we enter next year?"—to the conceptual—"How do I design and build a new customer proposition from scratch?"—partners will need to be able to position themselves as natural innovators. And they will need to be equipped with deep knowledge of their own firm and its capabilities if they are going to be able to combine and configure them in a way that produces value for clients.

Figure 4.2 How partners predict the ideal skill profile for consulting leaders will change

The three skills that will become proportionately...

more important over the next five years:

1. Creativity and the ability to innovate

2. Knowledge of the firm and its services

3. Technology knowledge and technical skills

less important over the next five years:

1. Ability to analyse and interpret data

2. Sector knowledge

3. Ability to collaborate and work well with others

Your leadership has to be attuned to your cultural context. For example, the servant leadership model works very well in the UK, but I find that I need to adopt a different management style for the business I lead in the US. Partners in the US generally want more decisive leadership; you can be a bit more directive with them and it doesn't get their backs up the same way it does in the UK.
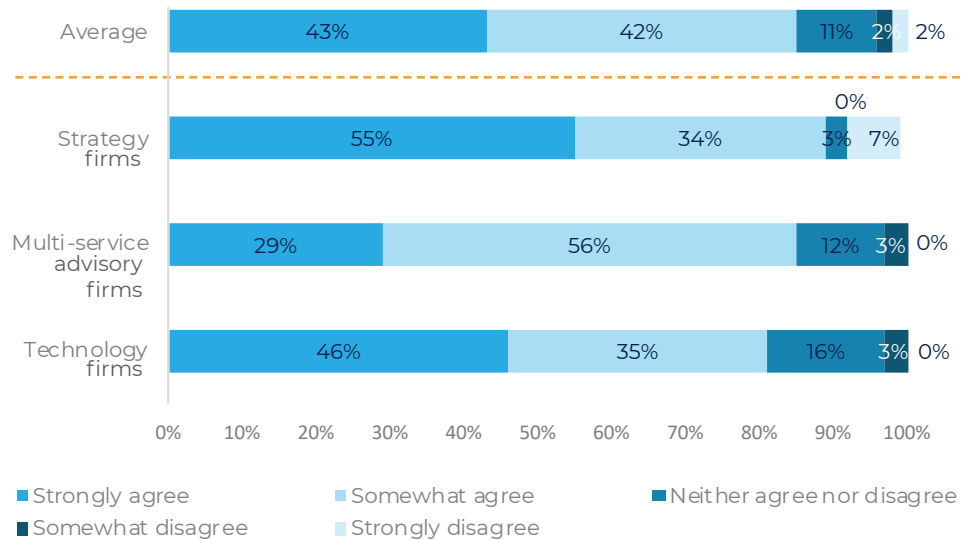Charles Vivian, North Highland

It is also likely that the partners of the future will require a higher degree of tech literacy. Fig. 4.3 shows widespread agreement among industry leaders that technology is coming to play a larger role in projects delivered by their firm.

Interestingly, partners at strategy firms are feeling this pressure more than anyone. Partly, this is because many such firms see their future relevance predicated on their ability to offer clients services that go beyond narrowly defined strategy offerings—i.e. services that combine strategy with more technology and product-oriented capabilities. And partners at such firms are having to very quickly develop technology skills in order to properly make that shift.

But is undeniable that, across the entire industry, firm's asset bases are coming to play an increasingly critical role in the value propositions. The partners of the future will need the ability to manage that IP with the same deftness that they currently manage their project teams and their practices. They will need an acute understanding of how to develop and strengthen an asset base over time, and how to deploy those assets efficiently and in a way that creates value for customers.

Figure 4.3 Percentage of partners who agree that software and data assets are playing an increasingly important role in the work of their firm

Legend:
- Strongly agree
- Somewhat agree
- Neither agree nor disagree
- Somewhat disagree
- Strongly disagree

Category	Strongly agree	Somewhat agree	Neither agree nor disagree	Somewhat disagree	Strongly disagree
Average	43%	42%	11%	2%	2%
Strategy firms	55%	34%	3%	0%	7%
Multi-service advisory firms	29%	56%	12%	3%	0%
Technology firms	46%	35%	16%	3%	0%

In the past, a project would normally revolve around a single broad hypothesis that would help cut through the noise and focus the team's thinking. But now, because of the massive volume of data available to you, that approach doesn't work as well. Instead of a single top-down hypothesis, you're typically dealing with a multitude of smaller hypotheses that bubble up during the course of the project. With all of the analytical tools available today, it's possible to think through and solve many different niche hypotheses. Essentially, this is all a reflection of the fact that we've gone from a simpler business context to one that is much more complex and multidimensional—and consulting needs to reflect that reality.
Vikram Chakravarty, EY

My personal management philosophy is based around the concept of servant leadership. At the senior level of any firm, you're surrounded by lots of ambitious and talented people, and your job as a leader is to help them be the best at what they do. You need to give people the space and the resources they need to build their own successful practices. It's like you're the referee in a football match; the game isn't about you, you're there to enable the game to happen in a way that lets all of the star players show off their skills. Put another way, you have to be constantly earning the right to lead.
Charles Vivian, North Highland

You need to give people the space and the resources they need to build their own successful practices.

One of the perennial challenges for any firm is striking the right balance between generalists and specialists within the ranks of the partnership. On the one hand, having a healthy mix of different subject matter experts makes your firm attractive to clients who are looking for that sort of hyper-specialist knowledge. But specialists are harder to consistently bill out, and their skills can quickly go in and out of vogue.

That's one reason why virtually all firms skew their partner mix towards generalists. It also helps that individual partners are highly incentivised to go down that route; a well-rounded skillset is generally a prerequisite for anyone with ambitions of moving into a senior leadership role, whereas specialists tend to spend their careers as delivery partners.
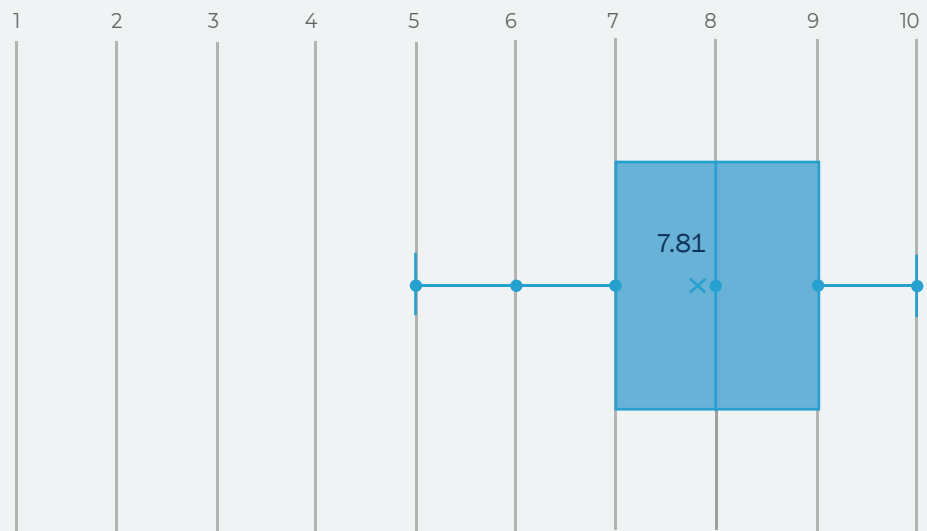
Respondents were asked to evaluate their firm on a 10-point scale, with 1 being "all our partners are specialists" and 10 being "all our partners are generalists"

…the underlying toolkit of a great consultant will remain the same—high IQ and EQ combined…

The rise of digital up the corporate agenda has created a need for deeper technology expertise—and consultancies are responding to this. But ultimately, the people skills required to be a successful advisor are not going to change. If anything, the need for strong people skills will likely increase; clients need reinforced EQ skills to help manage and respond to the technology waves that are crashing over them. So even if there's a need to alter the specific capabilities a consultancy provides, the underlying toolkit of a great consultant will remain the same—high IQ and EQ combined.
Adrian Bettridge, Baringa Partners

We think it's important to take active steps to promote a diversity of thinking styles. People tend to be most comfortable around people who think similarly to themselves—so boardrooms tend to be dominated by people who all think alike. To avoid that, we assess people in our teams against the Herrmann Brain Dominance Instrument (HBDI) model. The idea is that different people naturally gravitate towards certain roles, and you want a good mixture of all of them on your project teams: Some people are natural planners; others are good at interpreting data; some look at things through a financial lens and are good at constructing business cases; and still others are good at connecting with people on a human-to-human level. We're constantly working towards a balanced mix of thinking styles.
Charles Vivian, North Highland

Clients still need access to specialists, but 'specialist consulting', in its strictest sense, doesn't work as well anymore. I think the best way to put it is that the definition of specialisation has changed; even partners who are deep technical specialists now also need to have good soft skills.
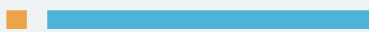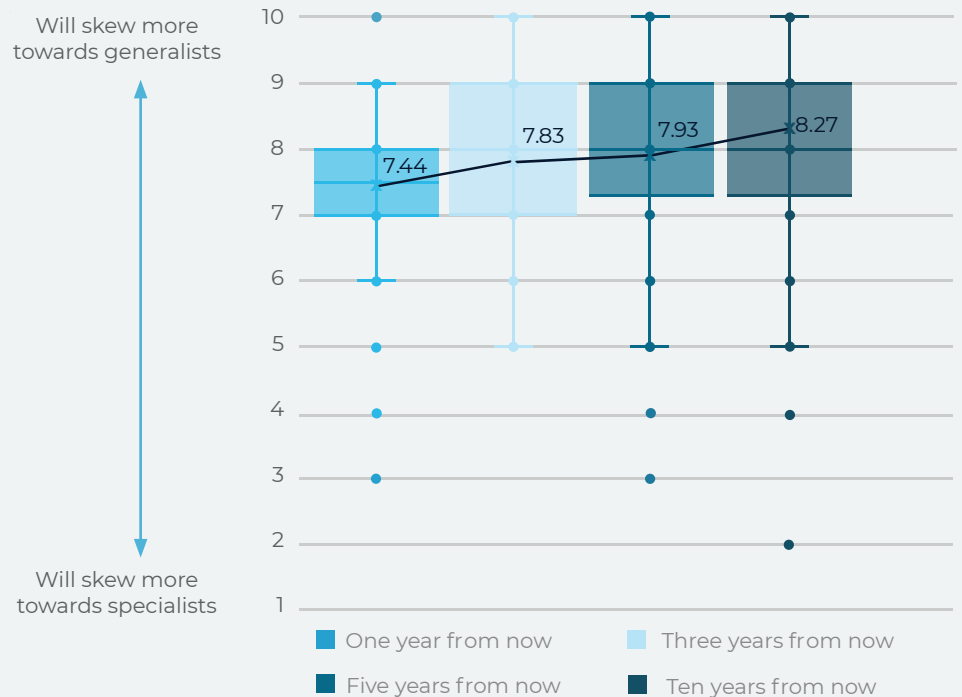Anonymous

While there is far from universal agreement on this point, most partners predict that over the next 10 years the balance within their partnerships will shift even further in favour of generalists (Fig. 4.5).

This might seem counterintuitive, at a time when clients are increasingly in the market for specialist expertise (see our report on "The Commercial Model" for more on that). But the calculation that firms seem to be making is that clients do want access to specialised skillsets—but not, necessarily, at the partner level. That

is to say, clients understand and accept that no one partner can be an expert in everything. The role of a partner is to know enough about the expertise and the capabilities that exist within their firm at the different grade levels to be able to combine those capabilities together in a way that meets the needs of customers.

There are few client challenges these days that can be solved through the resources available within a single service line. The critical challenge for the partner of the future will be to take a top-down view of their organisation's functional teams, and to develop bespoke solutions for clients that cut across them in new and innovative ways.

Figure 4.5 How partners predict their firm's mix of generalists and specialists at the partner level will change in the future

Will skew more towards generalists

Will skew more towards specialists

■ One year from now   ■ Three years from now
■ Five years from now   ■ Ten years from now

...it's no longer possible for consultants to look at every client through the same lens.

The ask that a modern CEO is putting in front of their consultants is much less straightforward than it was twenty years ago. Back then, everyone was operating under the same basic paradigm: cash is king, and our sole objective is the maximisation of shareholder value. And that meant that you could analyse any two companies with the same set of basic principles; it was the same basic consulting approach that Drucker was writing about in the seventies. But now, it's not just about cash flow: Clients are having to think about sustainability, about issues of diversity and inclusion, and about long-term reputational risks. So it's no longer possible for consultants to look at every client through the same lens.
Vikram Chakravarty, EY

Leaders in the consulting industry have to have multidimensional skillsets. In fact, I'd say that consulting leadership roles are some of the most complex leadership roles that exist. On the one hand, you have to be able to sit down opposite a client and demonstrate to them that you understand their business every bit as well as they do; you have to be able to go peer to peer with them and act as a trusted confidant. But then you also need to be able to walk into another client's office and do the same thing. And you need to be able to swivel the chair around and appreciate all the complexities of your own business. Being able to do all of those different things requires a unique type of leadership.
Jonathan Wright, IBM Services

In the past, leadership in the consulting industry was extremely hierarchical and revolved around partners in a classical command and control style. But over the last 10 years there has been a marked shift away from top-down 'tell and do' models of leadership to ones that are much less hierarchical and much more collaborative. All leaders need followers—and people just don't respond to the 'tell' approach in the same way they used to. Good leadership today, particularly in consulting, has to be based on clarity of vision & purpose, collaboration and authenticity. At Baringa, we try to differentiate ourselves through this; we're constantly investing in our partners and senior managers/directors to become the best people leaders, advisors, and managers possible, able to mentor and support the people they work with on a day-to-day basis.

Adrian Bettridge, Baringa Partners

Leadership styles have definitely had to change in the consulting industry—in large part, because of the different expectations of people entering the workforce. People require much more flexibility these days, both in terms of hours worked and the locations they work from. That's taken some getting used to from partners who've been in the industry for a long time, who often want their team members to be available to them all hours of the day.

Wendy Conway Schmidt, Deloitte

It's easy to rationalise an overly hands-on leadership style, particularly as a newer partner. You think that the easiest way to get things done on time and to the quality you want is to do 95% of the work yourself. But what ends up happening is that you create bottlenecks around you, and you prevent the rest of your team from learning and developing. I didn't really learn that until later in my career, but when I did it was hugely empowering.

Hugo Walkinshaw, AntWorks

What does this mean for your firm?

➡ **Ensure your hiring criteria and L&D programmes are forward-looking—with an eye towards developing partners who balance creativity with technology skills**

➡ **Tap the skills within your partnership to build up your firm's intellectual property, and empower partners who want to lead on this**

➡ **Equip partners with tools that can help improve their visibility of assets and talent throughout your business**

About our methodology

Unless otherwise specified, the data in this report comes from a study conducted in January 2020 of 100 partners in US consulting firms. All participants in this study were partners of firms with at least 500 employees. Sixty-seven percent of participants were male and 33% were female; 9% identified themselves as members of the LGBTQ community, and 9% described themselves as having a disability.

All participants identified their firm's core business as management and/or technology consulting. At certain points in this report, we have drawn a distinction between the following types of firms:

- Strategy firms (e.g. McKinsey or Boston Consulting Group)

- Multi-service advisory firms (e.g. KPMG or Deloitte)

- Technology firms (e.g. IBM or Capgemini)

Categorising different consulting firms is something of an imprecise science, given the complex contours of the industry; these distinctions are intended only to give a general sense of the different ways in which trends impacting consulting are playing out across different types of firm.

Where necessary, we have also drawn on data from our global data model, a bottom-up model of the professional services industry covering 84 countries, 29 industries, and six major service lines and containing about 9.7 million data points.

Appendix Figure 1 Types of firms represented in our study
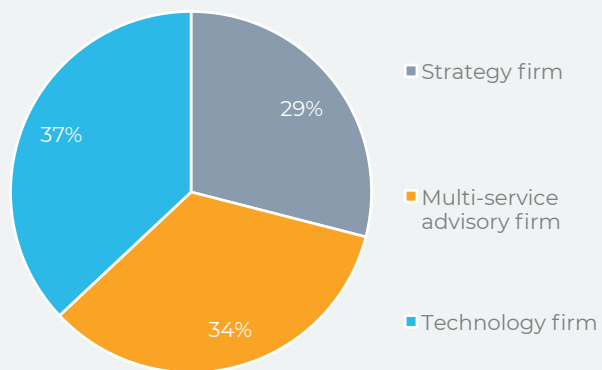
Appendix Figure 2 Time spent as partners by respondents in our study
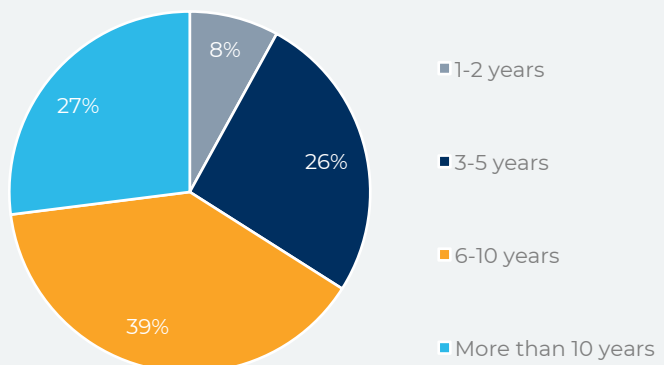
Contributors

We are extremely grateful to all the people we spoke to for making this report possible. Below is a list of individuals who have contributed (excluding those who wished to remain anonymous).

Name	Job title	Organisation
Adrian Bettridge	Managing Partner	Baringa Partners
Vikram Chakravarty	Managing Partner – ASEAN TAS	EY
Paul Clark	Global Managing Partner, Managed Services	EY
Wendy Conway Schmidt	Principal (Retired)	Deloitte
Lisa Dauber	Head of Experienced Hiring EMEA and US	Oliver Wyman
Christian Edelmann	Partner, Co-Head of EMEA, Financial Services, and Global Head of Wealth & Asset Management	Oliver Wyman
Lorraine Mackin	Partner and Head of Insight Led Improvement UK	KPMG
Charles Vivian	Managing Director and Portfolio Group Lead	North Highland
Hugo Walkinshaw	Chief Partnership Officer	AntWorks
Bin Wolfe	Global Deputy - Talent	EY
Jonathan Wright	Global Head Cognitive Process Re-engineering	IBM Services

About Sheffield Haworth

Sheffield Haworth is a global challenger talent consultancy focused on people-led transformation and our purpose is to help organisations and people to realise their potential.

Our clients span the Consulting, Technology & Services, Financial Services, Real Assets and broader Corporate sectors and our services cover Executive Search, Talent Advisory & Development and Consulting Solutions.

Established in London in 1993, Sheffield Haworth has undergone significant growth and expansion, now employing over 150 professionals in 12 global offices throughout the Americas, Europe, Middle East and Asia Pacific regions, with a client list that includes a substantial number of leading global organisations.

Operating as a single global P&L and team approach we bring together much broader expertise from across the group to support clients with their most complex talent-related challenges.

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Consulting, Technology & Services

Sheffield Haworth has merged its Business and Professional Services sector practice with the Technology sector practice, Gillamor Stephens, to form the global Consulting, Technology & Services sector practice. This integration has enabled the practice to maximise the combined capabilities of the teams across geographies, and fully integrate the acquisition of Gillamor Stephens made in 2018.

The Consulting, Technology & Services team at Sheffield Haworth has extensive global experience across the breadth of the sector. Our clients include global brands and emerging businesses across Consulting & Advisory, Technology Services, Deep Tech, Enterprise Software, Business Services and Professional Services.

The team works with clients across all industry sectors, competencies and functional areas including all aspects of technology, data and analytics, digital, cyber, strategy and operations, finance, human capital, risk and compliance. These experiences have also led to our team developing a proven track record of bringing best practice in strategy, transformation, technology and change experience to corporate clients looking to strengthen capabilities or manage disruption.

About Source Global Research

Source Global Research is a leading provider of information about the market for professional services.

Set up in 2007, Source services the professional services industry with expert analysis, research, and reporting. We draw not only on extensive in-house experience, but also on the breadth of our relationships with both suppliers and buyers. All of our work is underpinned by our core values of intelligence, integrity, efficiency, and transparency.

Among other things, our work includes:

- Deep market and competitor analysis
- Acquisition strategy
- Proposition strategy and development
- Brand and client sentiment analysis
- Thought leadership strategy, development, and review

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