



Survey of the European Management Consultancy Market

2007/2008



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Introduction by the FEACO Chairman

Europe is faced with many challenges: the conversion from a mass production based economy to a knowledge based economy, the emergence of large, competing, economic centres, institutional and cultural difficulties in the construction of the EU, etc.

At the same time Europe is rapidly developing: economic integration and further expansion to Central and Eastern European countries, the Europeanisation, even globalization, of local companies, development of the e-internal market, innovation clusters, etc.

Within this context Management Consultancy plays an essential role in the transformation of companies and economies. Management Consulting contributes actively on a daily basis to the construction of Europe with the assistance and advice it provides client companies engaged in transnational activities: development of international strategies, cross-border mergers and acquisitions, transfer of decision centres, international projects, cost reductions, systems integrations, outsourcing, offshoring and global sourcing, etc.

At the same time the profession needs to transform itself and adapt its service provision to these developments. Many Management Consulting companies are still too local to provide the services required. Consultancy companies need to 'think big', for their clients and for themselves. Smaller companies need to seek partners to survive.

FEACO offers a unique framework for exchange and benchmarking for European consultancies, not just for the large, but particularly for small and medium-sized companies which find it increasingly difficult to adapt to and keep up with the market. FEACO allows to benchmark with other markets and companies, to network with companies, to meet with consultants from all over Europe, and to learn about practices and developments in European MC markets. Modern communication tools cannot replace the benefits of personal and direct exchange that an international organization like FEACO offers.

Our sector is in the prime of youth, but at the same time, recent history has shown, it is very fragile as it is easily affected by economic changes. Our sector continues to have low recognition in certain client sectors and with policy makers. We need a common label, a common image, transparency in our services, promotion of our services, of our ex-

periences, best practices and success stories and the value added that Management Consultancies bring. Without national associations and a European Federation, the European MC sector has no face and no voice and no input into European policy making; what is more, it does not even exist.

I invite you all to contribute to the development of a successful and exciting European Management sector and to join FEACO and its national associations. Our annual FEACO European Conference in Dubrovnik, Croatia on 23/24 October and the FEACO European Management Consulting Summit in Paris, France on 16 December will provide excellent opportunities for networking and exchange between European Management Consultancies of all sizes.

The Report on the European Management Consulting Market is a unique tool for the whole of the profession in Europe. It is difficult to obtain and provide a reliable and consistent picture of the vast and complex Management Consulting market. Our ambition is immense, our means very limited. This Report exists thanks to the commitment and contributions of the national Management Consultancies associations. In addition to a fixed information base, a number of innovations are made each year in order to lift a tip of the veil on another aspect of the multifaceted European Consulting Market.

In this 2007-2008 report, FEACO introduces three innovations:

- A detailed comparative analysis of the main countries by sectors and service lines,
- information on the average daily fee rates applied in countries that were able to provide this information,
- a description of the breakdown of turnover over the large and the smaller local market players.

I extend my gratitude to all who have contributed to this Report and I wish you pleasant reading.



A handwritten signature in black ink, appearing to read 'Jean-Luc Placet'. The signature is fluid and cursive, with a prominent loop at the end.

Jean-Luc Placet
FEACO Chairman

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Executive Summary

Tab 1: Key Figures
2005 - 2008

	2005	2006	2007	2008 (est.)		
Market size	66.8 bn €	74 bn €	81 bn €	88 bn €		
Growth rate	14%	10.7%	9.5%	9%		
Total Staff	460,000	450,000	583,000			
Breakdown of Key services lines						
Business Consulting	42.0%	39.1%	42.0%			
Outsourcing	21.0%	19.0%	20.0%			
Dvt & Integration	19.0%	19.0%	20.0%			
IT Consulting	12.0%	17.0%	15.0%			
Other services	6.0%	5.9%	3.0%			
	Total turnover in billion €	Business & IT Consulting in billion €	Total turnover in billion €	Business & IT Consulting in billion €	Total turnover in billion €	Business & IT Consulting in billion €
Germany	19.7	13.1	21.6	14.7	24.1	16.4
UK	18.0	9.2	18.3	11.1	19.0	11.1
Spain	6.9	1.6	7.6	1.6	8.5	1.7
France	5.9	3.3	6.9	3.8	7.8	4.9

Total sales of the European MC industry in 2007 amount to €81 billion, this represents a 9.5% growth rate on 2006. This is a weighted growth rate based on the growth rate of the countries covered by the report for which growth rates are known, weighted by their market share.

During the 2005-2007 period, the market size increased by 21% and the number of employees by 26.7%, from 460,000 persons to 583,000 (total staff).

Figures related to employment should be considered cautiously. In general the growth results from the development of the MC market but it can also originate from the enlargement of the scope of the survey in some countries. For instance, this year France made an effort to include more small market players in its analysis, which affected the market size. Usually, in mature markets, changes in staff are rather modest: Germany (+7%), Switzerland (+10%) and the United Kingdom (+13%).

Since 2005, the FEACO survey uses the same methodology which divides Management Consulting into four segments:

- Consulting (consisting of Business Consulting and IT Consulting),
- Development and Systems Integration (excluding software development),
- Outsourcing of value added services,
- Other services

In 2007 the share of the market of each of these service lines remains the same as in previous years: Consulting (Business and IT Consulting) accounts for 57% of the total turnover, Outsourcing for 20%, Development and Systems Integration for 20% and Other Services for 3%.

The Consulting segment (consisting of Business and IT Consulting), is worth €46.1 billion. The two largest markets in Europe are Germany (47% of the European market) and the United Kingdom (31%), followed at a distance by France (14%), Spain (5%) and Denmark (3%).

The analysis by client sectors also shows the same distribution by sector since 2005. Demand from three sectors is significantly larger than from other sectors: Industry (32% of the total turnover), Banking and Insurance services (23%) and Public sector (14%).

2007 was an excellent year for the MC sector. The forecast for 2008 remains relatively optimistic but, at the end the first semester, perspectives remain unclear. Most European economies anticipate a slowdown towards the year end, as experience has shown that the general economic trend tends to rather rapidly affect the Consulting market. Nevertheless, all European associations still forecast a positive growth in 2008 within a range of +5% (Portugal) to +40% (Romania). The expected average growth comes out at +9%. However, the UK, the second largest market in Europe, anticipates only +5% growth.

Scope of the Market and Methodology

The objective of FEACO is to present objectively and as accurately as possible a picture of the activity in Europe in our sector, aiming for the maximum level of reliability in the aggregation of the figures which represent the different elements of the services which companies in the market offer.

The results are reflected by the aggregated data presented in this report which are a result of the effort of all the companies, large and small, which participated in it and continue to contribute to building a prosperous, competitive and exciting European management consultancy market.

FEACO member companies provide a broad spectrum of management consulting services. Depending on the market these may be at different levels of maturity. The array of services management consultancies offer is very dynamic; it is continuously evolving and changing. Defining the framework of activity of our sector is therefore not an easy task, the more because it concerns a basket of services which in certain cases are very different.

From that perspective and with the objective of improving our report, FEACO proposed in 2005 a new definition of the scope of services offered by management consultancies in Europe and a new way of segmenting these services.

This exercise resulted in the following division of the main services:

- Consulting, which we divide into Business Consulting and IT Consulting,
- Development and Systems Integration (excluding software development),
- Outsourcing of value added services,
- Other services.

These segments are described in detail in the subsection "Analysis by Service Line".

This new framework implied a change in methodology for the collection and aggregation of the quantitative and qualitative data, which are contributed by the companies.

The methodology consists basically in the collection by our member associations of the data on the sector via the aggregation of the figures from the individual consulting companies. In 2007, FEACO decided to distinguish between associations with an in depth knowledge of their domestic market – for instance, because they publish their own often very detailed annual market re-

port- and associations from countries whose markets are less known.

As a result, quantitative data were collected on two levels:

Key countries were asked to provide:

- Volume of turnover for the year 2007
- Data on staffing
- Business volume per service area
- Business volume per major client sector
- Daily fee rates for 2007
- General forecasts for 2008

Non key countries were asked to provide:

- Volume of turnover for the year 2007
- Data on staffing
- General forecasts for 2008

In parallel, qualitative data were solicited in a separate questionnaire on companies' views on the development and the future of the sector in selected areas of activity, the results of which are summarised in the chapter on trends in the sector.

It should be noted that the management consulting sector is a dynamic sector. Every year new consulting companies appear, others merge give rise to spin-offs or reorganize themselves. Because the data are provided on a voluntary basis, the sample of companies surveyed in each European country varies. The latest edition of the survey allows to redefine retroactively some of the data obtained in previous years. If this is the case, we decide to retain the most reliable data, accepting the discrepancies in comparison of one edition to another. Thus, some data estimates for 2007 contained in this report are provisional and will be confirmed in the next report, after further investigation, collection and analysis over the course of 2008. In the same manner, the 2006-2007 data are verified and confirmed by this 2007-2008 report.

Europe – Market Size, Forecast & Analysis

History and Projections

In 2007, after two years of double-digit growth, the MC industry's total sales presents, in comparison to 2006, a weighted growth rate of 9,5% and reaches €81 billion.

For 2008, European MC companies are forecasting a growth rate of 9%. Since this is the result of only 13 countries' estimations for 2008, this forecast should be considered cautiously. What is more, growth estimations vary widely from 4,9% in Portugal and 24% in Denmark to 40% in Romania.

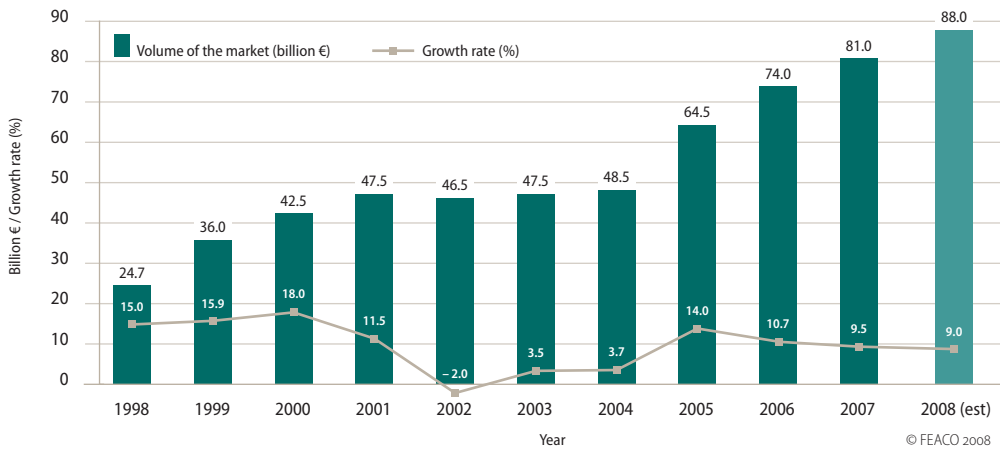


Fig. 1a: Size of the European MC-Market, 1998-2008

* In 2005, the growth rate of 14% was partially attributable to the redefinition of MC services introduced by the FEACO.

According to figure 1b below, based on the 100 index of 1996, the total turnover of the MC market has multiplied by 5,3 since 1996.

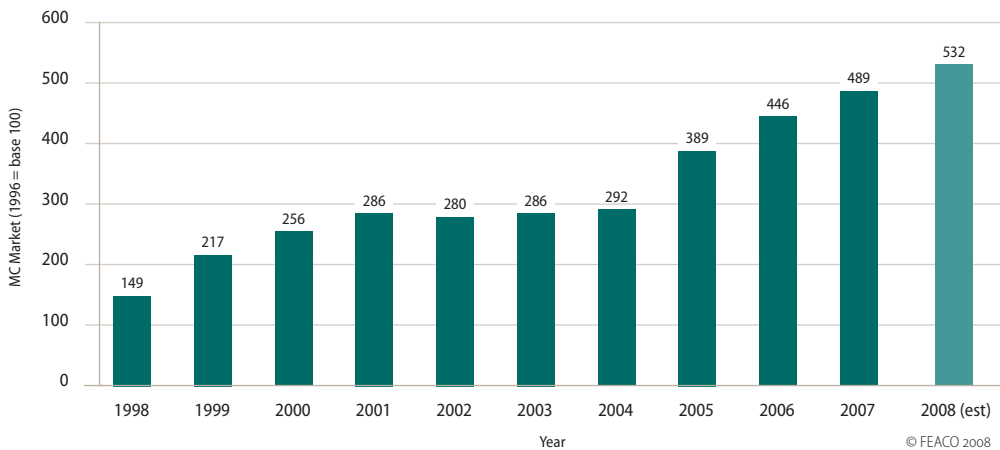
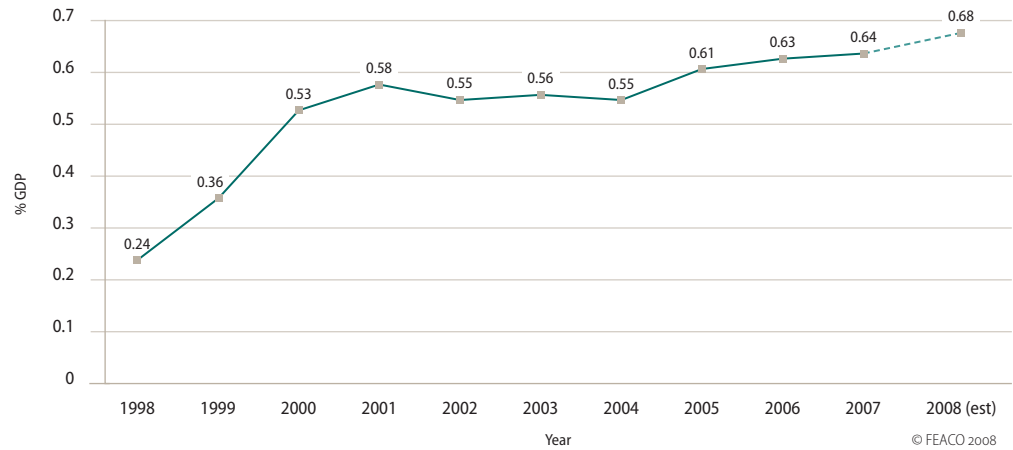


Fig. 1b: Evolution in % of the MC Market turnover, 1998-2008 - Base 100 in 1996

The *consulting intensity*, measured as the contribution by the sector to the European GDP, has increased from 0.63% in 2006 to 0.64% in 2007. In

2007, this index increased by 0.4 points since 1998 and by 0.08 points since 2003, the end of the general economic crisis (Source: Eurostat, 2007).

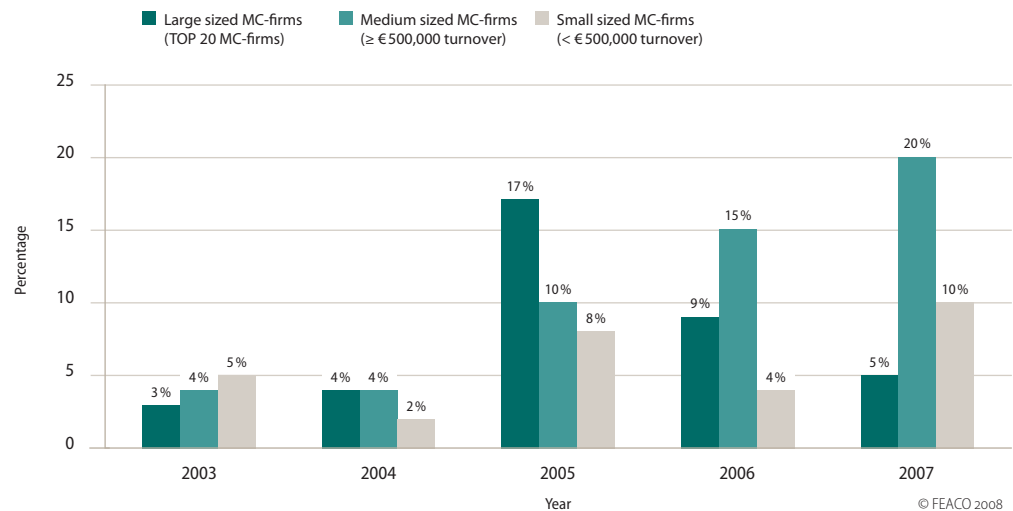
Fig. 2: MC Market as a % of GDP, 1998-2008



It appears that the growth rate varies also by size of consulting company. In 2007 the medium sized MC-companies reported the highest growth rate (20%), while small companies achieved 10% and the large sized MC-companies 5%. The large sized MC-companies, depending on which national market, generally account for between 30% and

75% of the total turnover on the national markets. However, these results are based on reports from only four countries (France, Germany, Greece and the United Kingdom), so statistically they cannot be considered representative for the whole of the European market.

Fig. 3: Average Growth Rate by Size of Consultancy Company, 2003-2007



Considering the total turnover of consulting companies, the two largest national markets are Germany and the United Kingdom with a total

turnover of €24.1 billion and €19 billion respectively, followed by Spain (€8.5 billion) and France (€7.8 billion).

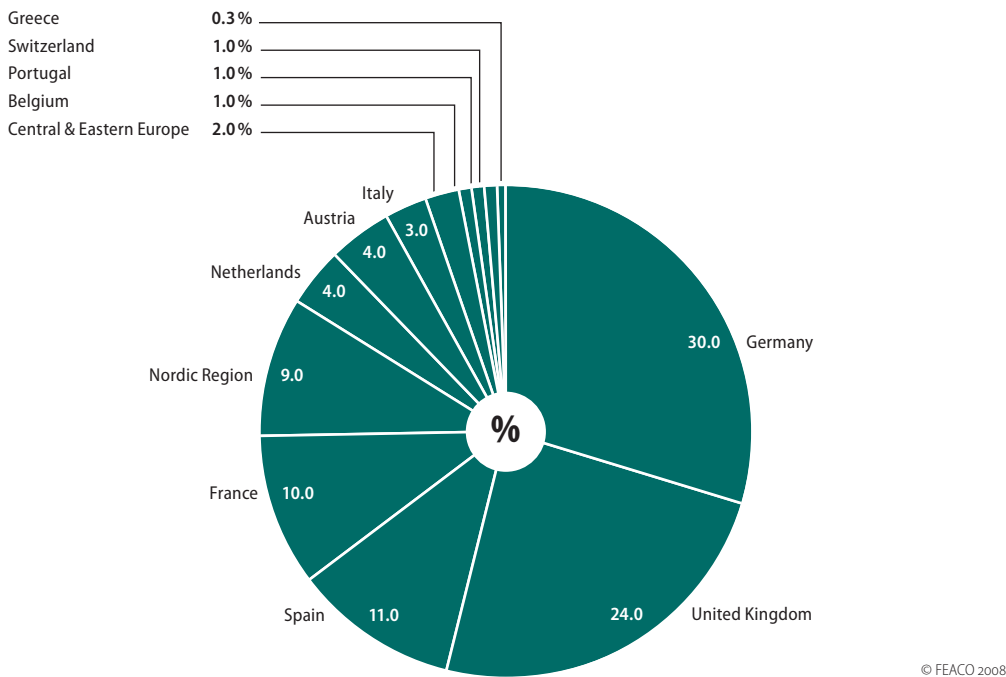


Fig. 4a: Size of European MC Market (total turnover) by Country-Region, 2007

When considering only the Consulting segment (Business and IT Consulting), we observe that Germany, with a turnover of €16.4 billion, consolidates in 2007 its domination of almost half of the

market (47%). The other important players are the United Kingdom (€11 billion), France (€4.9 billion), Spain (€1.7 billion) and Denmark (€1.1 billion).

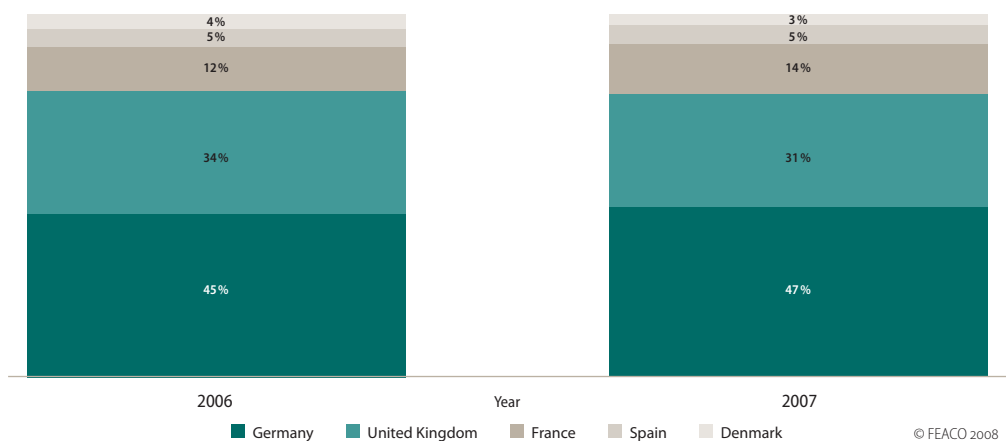


Fig. 4b: Breakdown of the European Consulting Market (Business & IT Consulting) by main Countries, 2006-2007

Analysis by Service Line

According to the new segmentation introduced by Feaco in 2005, the MC market is divided into four segments: Consulting, Development and Integration, Outsourcing and Other services. The Consulting segment is subsequently divided into two sub-segments: Business Consulting (BC) and Information Technology Consulting (ITC).

1. Consulting. These services help private and public organisations to analyse and redefine their strategies, to improve the efficiency of their business operations and to optimize their technical and human resources.

1a. Business Consulting (BC), which includes:

- Strategy Consulting (SC), which targets the improvement of the long-term, strategic health of a company: strategic planning development; mergers & acquisitions; sales; marketing; corporate communication; financial advisory; HR strategy;
- Organisation/Operations Management (OM), which aims at the integration of business solutions through Business Process Re-engineering (BPR); customer/supplier relations management (CRM); turnaround/cost reduction and purchasing & supply management **as well as advise on outsourcing;**
- Project Management (PM); The application of knowledge, skills, tools and techniques to a broad range of activities in order to meet the requirements of a particular project;
- Change Management (CM), this consists of services which, **on top of any other type of consulting service,** help an organisation deal with the effects that change has on the human element of the organisation;
- Human Resources Consulting (HR): Consulting services which target the improvement of the 'people' element of an organisation through performance measurement and management, reorganisation of benefits, compensations and retirement schemes, HR strategy and marketing, the development of talent strategies and executive coaching.

1b. Information Technology Consulting (ITC) helps organisations to evaluate their IT strategies with the objective of aligning technology with the business process. These services include strategic planning and conceptions, operations and implementations.

2. Development and Integration which concerns:

- the **development** of applications (excluding software):
 - the creation of new functionalities through, often tailored, process developments. Usually these developments integrate or unite internal or external business processes and can involve a conversion of applications so that they can be used for different platforms or conceptions,
 - the design of services which integrate applications which were created in different existing IT applications or infrastructures (systems integration -development)
- the **deployment and integration** of applications:
 - the implementation of new applications or infrastructures, which may concern the installation of hardware and/or software, their configuration or adaptation and the testing of their interoperability; and of services which integrate applications which were created in different existing IT applications or infrastructures and the management thereof (Systems integration)

3. Outsourcing, which consists of three types of activities:

- IT management services; among these are services for the operation of infrastructures (operation of systems, administration and security, follow up of cost-effectiveness, configuration management, management of technology, etc.) applications management, and help desk management.
- Applied Management Services (AMS); this concerns the outsourcing of the development and implementation of support services for hardware, applications, CRM and infrastructures (tools for the development of applications and middleware, as well as software for information management, storage or systems and networks).
- Business Process Outsourcing (BPO). This service supposes the externalisation of a complete business process.

4. Other services, which consist of a variety of services provided by many MC companies often complementary to Consulting, Development and Integration and Outsourcing services, such as: Training, Engineering consulting, Studies, Outplacement, Executive selection and recruitment and Audit and Accounting.

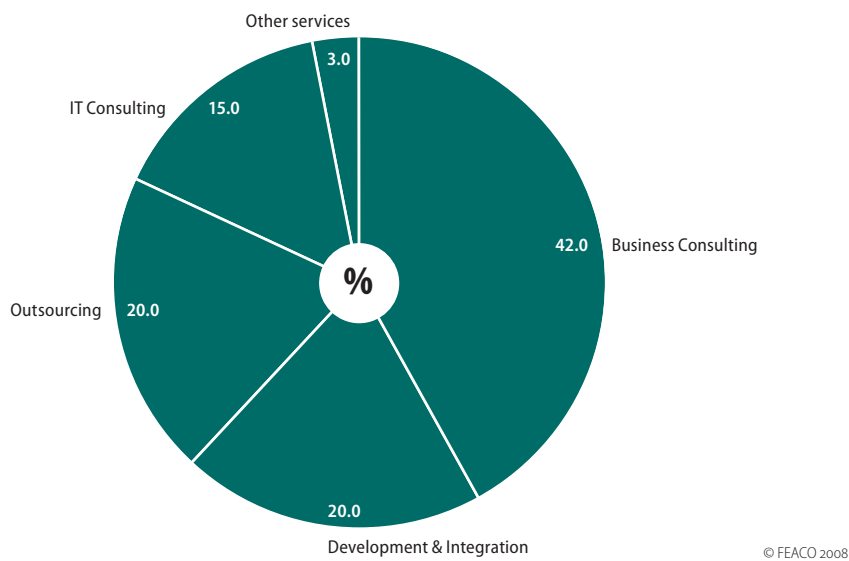


Fig. 5a: Breakdown of Turnover by Service Line, 2007

An analysis by service line of the total MC turnover shows that Consulting services represent 57% of the total turnover (of which 42% is BC and 15% ITC), Outsourcing services account for 20%, De-

velopment and Systems Integration for 20% and Other services 3%. Since 2005, the annual increase of 1% in Consulting services is the only significant change in the breakdown of MC services.

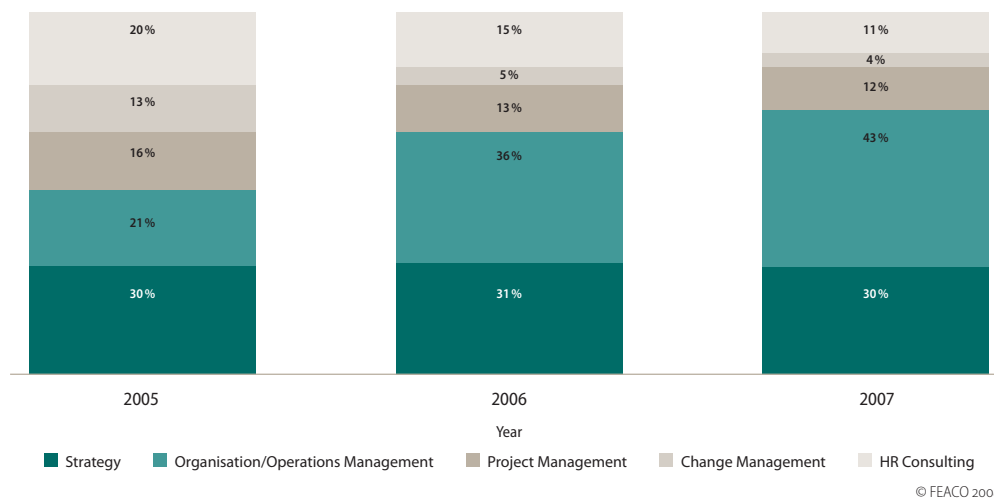


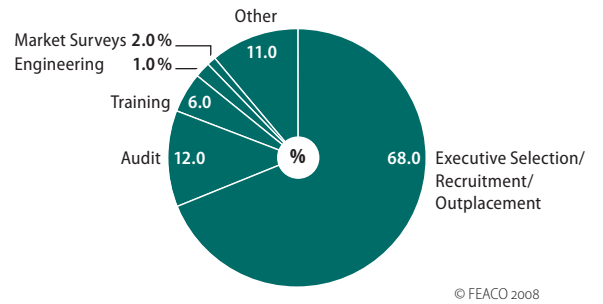
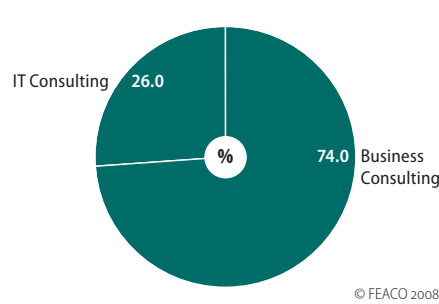
Fig. 5b: Breakdown of Business Consulting Turnover, 2007

Compared to 2005, the breakdown of Business Consulting revenue shows that the market share of Organisation/Operations Management has dou-

bled to the detriment of HR Consulting (-9 pts), Change Management (-9 pts) and Project Management (-4 pts).

Fig. 5c (left):
Breakdown
of Consulting
Turnover, 2007

Fig. 5d (right):
Breakdown of
Turnover from other
Services, 2007



Compared with 2006, the breakdown of Consulting shows a reduction of IT Consulting (-4 pts). Regarding other services provided by MC compa-

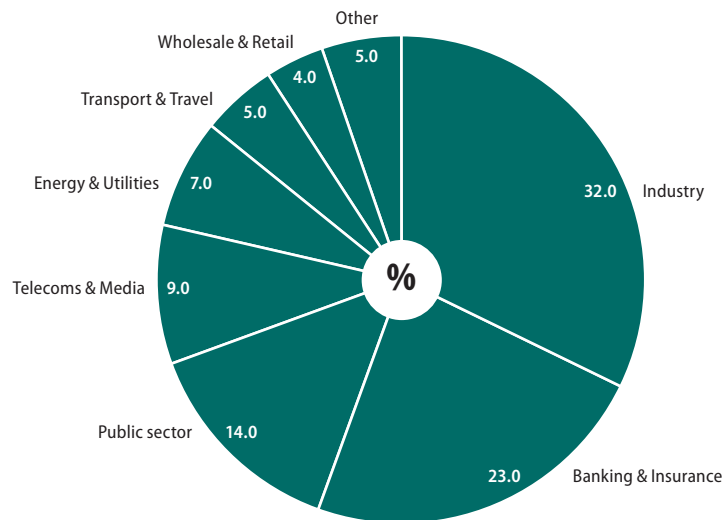
nies, Audit and Accounting and Engineering Consulting were introduced in 2007 which completely reshuffled the breakdown of this revenue.

Analysis by Client Sector

The analysis by client sector shows the same distribution by sector since 2005. Demand from three sectors is significantly larger than from other sec-

tors: Industry (32 % of the total turnover), Banking and Insurance services (23%) and Public sector (14 %), which together account for almost 70 % of total sales in 2007.

Fig. 6: Composition
of MC Market by
Client Sector, 2007



Selected European MC Markets

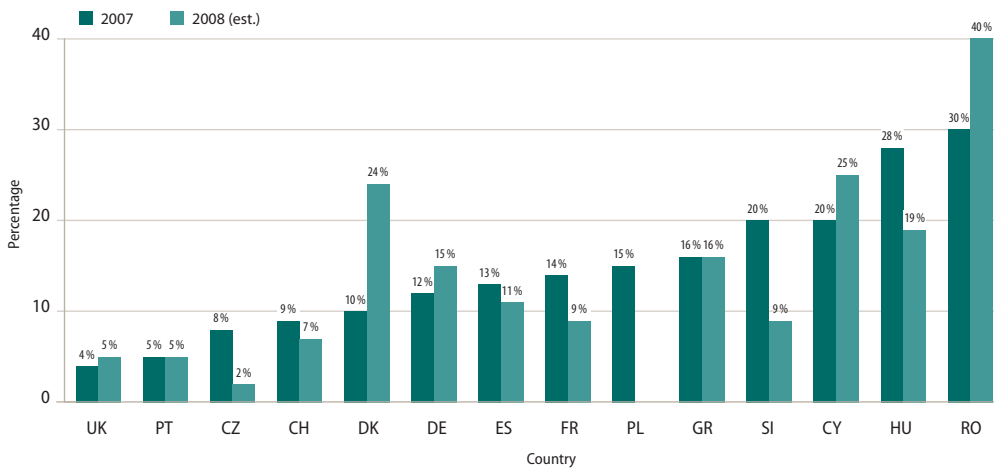
Analysis by Country

Behind a European average weighted growth rate of 9.5%, growth by country varies greatly:

■ high growth: Cyprus (20%), Hungary (28%), Romania (30%) and Slovenia (20%);

■ moderate growth: Czech Republic, Denmark, France, Germany, Greece, Poland, Spain and Switzerland (between 8% and 16%);

■ modest growth: Portugal, United Kingdom (around 5%);

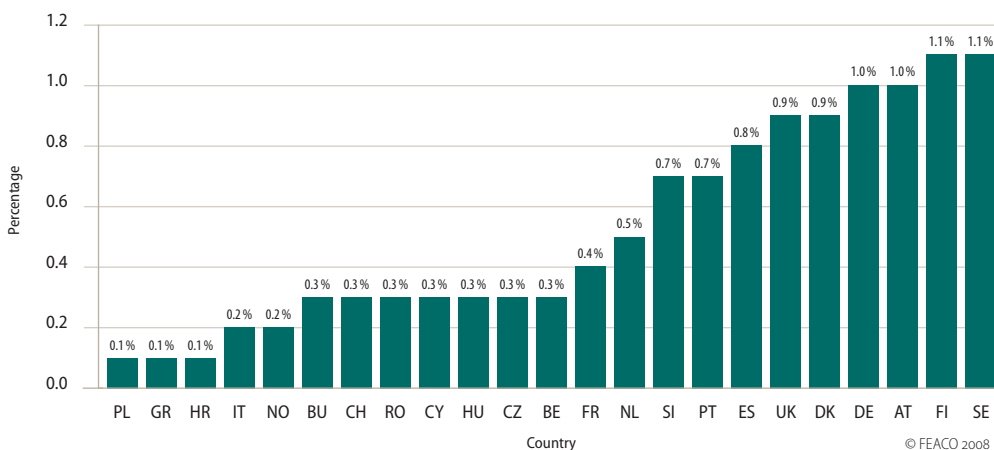


An estimate for 2008 could not be collected for Poland.

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Fig. 7: Growth Rates - Breakdown by Country/Region, 2007 & 2008

The estimate weighted growth rate for 2008, is 9% for the countries considered in figure 7.



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Fig. 8: Management Consulting as a Percentage of DGP, 2007

As figure 8 demonstrates, the contribution of the MC sector to the GDP continues to increase. Two countries present a percentage of MC to GDP

exceeding 1%. This percentage is between 0.2% and 1% for 18 other countries and below 0.2% for only three countries.

Tab. 2: MC Turnover
and GDP in selected
European Markets,
2007

A comparison of the annual MC growth rate to the growth rate of the Gross Domestic Product (GDP) demonstrates that the MC growth rate is higher than the GDP growth rate in all countries.

Country	GDP (million €)	Share of total Economy of countries considered	GDP growth 2007	MC growth 2007	Total turnover of MC firms	Total turnover of MC firms as % of the GDP
Germany	2,423,800	19%	2.5%	12%	24,150	1.0%
United Kingdom	2,023,589	16%	3.0%	4%	19,070	0.9%
France	1,892,244	15%	2.2%	14%	7,839	0.4%
Italy	1,535,540	12%	1.5%	n.a.	2,740	0.2%
Spain	1,049,848	8%	3.8%	13%	8,561	0.8%
Netherlands	559,537	4%	3.5%	n.a.	2,960	0.5%
Belgium	330,800	3%	2.8%	n.a.	1,150	0.3%
Switzerland	309,415	2%	3.1%	9%	803	0.3%
Poland	307,346	2%	6.5%	15%	299	0.1%
Norway	285,498	2%	3.5%	n.a.	667	0.2%
Sweden	280,923	2%	2.6%	n.a.	3,124	1.1%
Austria	272,766	2%	3.4%	n.a.	2,848	1.0%
Greece	228,949	2%	4.0%	16%	234	0.1%
Denmark	227,665	2%	1.8%	10%	2,150	0.9%
Portugal	162,919	1%	1.9%	5%	1,100	0.7%
Finland	155,640	1%	4.4%	n.a.	1,680	1.1%
Czech Republic	128,130	1%	6.5%	8%	439	0.3%
Romania	121,431	1%	6.0%	30%	340	0.3%
Hungary	100,951	1%	1.3%	28%	346	0.3%
Croatia	40,448	0.3%	5.6%	n.a.	55	0.1%
Slovenia	33,542	0.3%	6.1%	20%	226	0.7%
Bulgaria	28,899	0.2%	6.2%	n.a.	90	0.3%
Cyprus	15,561	0.1%	4.4%	20%	48	0.3%
Bosnia	-	-	-	n.a.	80	-
Total selected countries	12,515,438	100%			81,000	

Where the data for some countries could not be collected estimates (*italic*) have been made. Source: Eurostat, 2008

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In the classification of economies, Italy appears in fourth position. The reported turnover of the Italian national MC market appears out of synch with its GDP. This is probably partly due to an underestimation of the market because of the absence of a national study on the local market.

Tab. 3: Breakdown
between Management
Consultants and
Support Staff, 2007

	DE	UK	FR	PT	CZ	RO	CH	SI	GR
Consultants	71%	90%	90%	54%	92%	80%	83%	87%	83%
Support staff	29%	10%	10%	46%	8%	20%	17%	13%	17%
Total staff	168,000	107,100	52,350	15,000	9,290	8,750	4,380	2,830	1,900

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According to these nine countries, Management consultants constituted 80% of European MC companies' staff in 2007. Beyond this average, consultants in Portuguese companies account for 54% of the total staff and for 92% in the Czech Republic.

Tab. 4: Key Figures
of selected European
MC markets

Country	Total 2007 turnover of MC-firms (million €)	Share of MC market in Europe in 2007	Total 2006 turnover of MC-firms (million €)	Share of MC market in Europe in 2006	Total staff	Turnover per employee (€)
Germany	24,150	30.0%	21,601	28.76%	168,000	143,750
United Kingdom	19,070	23.7%	18,302	27.04%	107,100	178,060
Spain	8,561	10.6%	7,569	10.03%	80,000	107,013
France	7,840	9.7%	6,895	8.69%	52,350	149,761
Sweden	3,124	3.9%	2,900	3.72%	18,000	173,536
Netherlands	2,960	3.7%	2,900	3.71%	22,000	134,545
Austria	2,848	3.5%	2,800	3.58%	21,500	132,479
Italy	2,740	3.4%	2,600	3.31%	20,000	137,000
Denmark	2,150	2.7%	1,947	2.64%	14,150	151,908
Finland	1,680	2.1%	1,650	2.00%	10,000	168,033
Belgium	1,150	1.4%	1,150	1.39%	8,700	132,216
Portugal	1,100	1.4%	1,050	1.39%	15,150	72,634
Switzerland	803	1.0%	737	0.99%	4,380	183,333
Norway	667	0.8%	609	0.81%	4,200	158,848
Czech Republic	439	0.5%	407	0.54%	9,290	47,201
Hungary	346	0.0%	270	0.01%	4,800	72,083
Romania	340	0.4%	262	0.34%	8,750	38,857
Poland	299	0.4%	260	0.34%	6,000	49,833
Slovenia	226	0.3%	189	0.19%	2,830	79,859
Greece	234	0.3%	202	0.27%	1,967	118,963
Cyprus	48	0.1%	40	0.05%	800	60,000
Bulgaria	90	0.1%	70	0.08%	1,500	60,000
Bosnia	80	0.1%	60	0.07%	1,000	79,775
Croatia	55	0.1%	40	0.04%	600	91,667
Total	81,000	100.0%	74,000	100.00%	583,067	138,921

Where the data for some countries could not be collected estimates (italic) have been made. These estimates are based on economic estimates by analogy with comparable countries. Source Eurostat, 2008. © FEACO 2008

The country rankings have remained practically the same since 2005, when Germany gained first position overtaking the United Kingdom.

The median turnover per employee for all 24 countries is €125 500 and the average €138 900. The minimum turnover per employee is €38 800 (Romania) and the maximum is €183 300 (Switzerland). The countries can be grouped as follows for turnover per employee:

- A turnover per employee equal or less than €60 000 in 5 countries which together represent 2% of the European market: Bulgaria, Cyprus, Czech Republic, Poland and Romania;

- A turnover per employee between €60 000 and €150 000 in 13 countries (64% of the European market): Austria, Belgium, Bosnia, Croatia, France, Germany, Greece, Hungary, Italy, the Netherlands, Portugal, Slovenia and Spain;

- A turnover per employee exceeding €150 000 for 6 countries (34% of the market): Denmark, Finland, Norway, Sweden, Switzerland and the United Kingdom. Data from half of these 6 countries are estimated;

Tab. 5: Average
Daily Fee Rates of
selected European
MC Markets

Analysis by daily rates

Management Consulting	
France	1,526 €
Germany	1,550 €
United Kingdom *	1,732 €

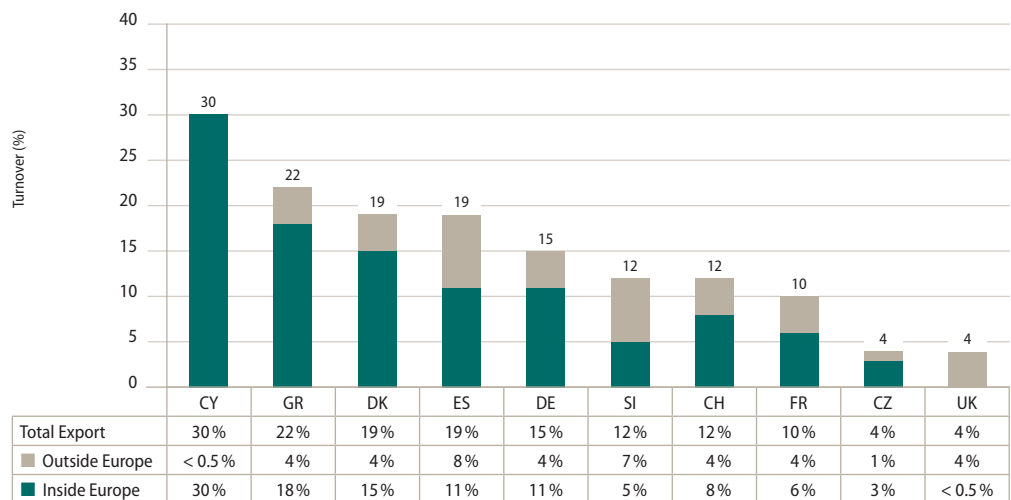
* These figures came from Management Consulting Information Service.
Conversion rate as of June 2008 © FEACO 2008

It proved difficult to obtain information on daily fee rates. Only four countries (France, Germany, Greece, and United Kingdom) were able to provide information on average daily fee rates on their markets, among which France, Germany and the UK appeared fairly comparable, which may give an idea of the average daily fee rates for the MC Consulting market in Western Europe. Greece reported an average daily fee rate of € 400.

These rates should be considered cautiously, as the average daily fee rate is merely an indicator

and not representative of actual fees invoiced by consultants, which tend to vary according to sectors, service lines and profiles. UK consultants appear to receive the highest daily fee rates for MC Consulting, with large differences between the various key service areas, ranging between € 315 and € 5,000 per man day. Also, the UK average daily fee rate expressed in euro should be considered in relation to the GBP/EUR exchange rate which dropped by 15% within one year. In France, the average daily fee rates for MC Consulting range between € 900 and € 1,700 per day depending on the sector. In Germany, where the daily fee rates for MC Consulting were analysed by profile, they range between € 800 for junior consultants and € 5,000 for Senior Partners of large international companies.

Fig. 9: Export of MC
Services by selected
Countries, 2007



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With an average weighted market share of 12%, countries' MC export rates vary considerably, from Greece and Cyprus (more than 20%) to UK (4%).

Only Slovenia and the UK export more services to countries outside the EU than inside.

Analysis by Service Line

	CH	DE	DK	ES	FR	GR	HU	SI	UK
Total turnover (million €)	803	24,150	2,150	8,561	7,839	234	346	226	19,070
Major service lines (%)									
Business Consulting (BC)		54%	54%	8%	52%	65%	49%	61%	40%
IT Consulting	30%	14%		12%	11%	8%	37%	17%	18%
Development & Integration	70%	20%	14%	44%	16%	7%	14%	8%	8%
Outsourcing	-	7%	13%	36%	14%	5%	-	1%	34%
Other services	-	5%	19%	-	7%	15%	-	14%	-
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%
BC Details									
Strategy	-	17%	-	4%	10%	18%	24%	26%	13%
Organisation/ Operations Management	-	30%	-	3%	20%	18%	9%	22%	8%
Project Management	-	-	-	-	13%	26%	11%	4%	13%
Change Management	-	-	-	1%	6%	3%	5%	4%	3%
HR Consulting	-	7%	-	-	3%	2%	-	6%	4%
Total	-	54%	0%	8%	52%	65%	49%	61%	40%

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	CH	DE	DK	ES	FR	GR	HU	SI	UK
Total turnover (million €)	803	24,150	2,150	8,561	7,839	234	346	226	19,070
Major service lines (€)									
Business Consulting (BC)		12,969	1,156	685	4,044	152	170	137	7,571
IT Consulting	241	3,478		1,027	889	19	128	37	3,509
Development & Integration	562	4,806	301	3,767	1,254	16	48	18	1,602
Outsourcing	-	1,594	277	3,082	1,098	12	-	2	6,389
Other services	-	1,304	415	-	557	35	-	32	-
Total	803	24,150	2,150	8,561	7,840	234	346	226	19,070
BC Details (€)									
Strategy	-	3,985	-	342	784	42	83	59	2,422
Organisation/ Operations Management	-	7,245	-	257	1,531	41	31	49	1,487
Project Management	-	-	-	-	1,037	60	38	8	2,422
Change Management	-	-	-	86	445	6	17	9	534
HR Consulting	-	1,739	-	-	247	4	-	12	706
Total	-	12,969	-	685	4,044	152	170	137	7,571

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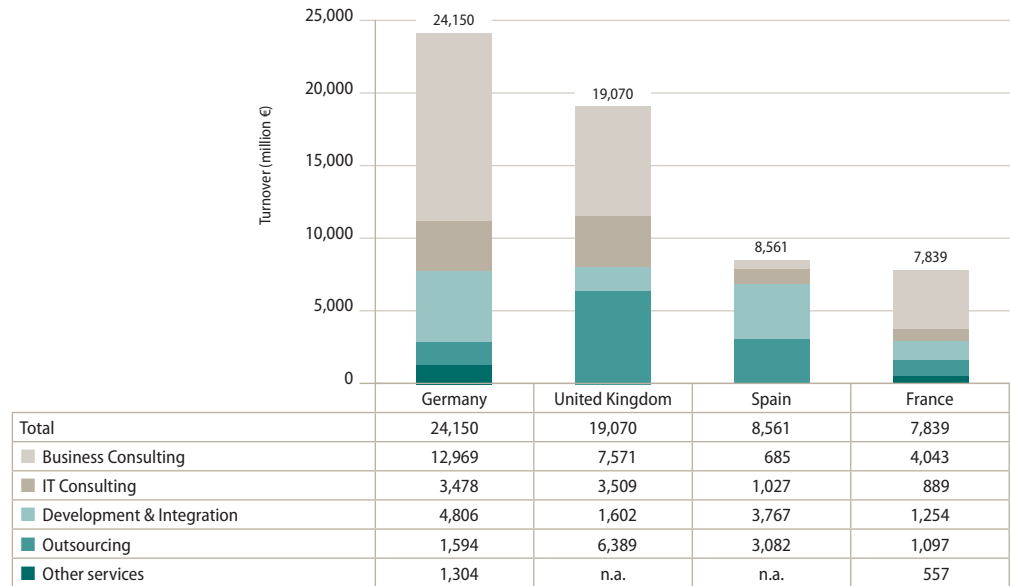
Consulting accounts for on average 57% of the European consulting companies' turnover. Three types of countries can be distinguished:

- for half of the countries considered, the market share of Consulting activities represents more than 60% of the total MC Market: Hungary (86%), Slovenia (78%), Greece (73%), Germany (68%) and France (63%). In these countries, Organisation/Operations Management and Project Management are the major activities (accounting for at least a quarter of the total turnover), except for Hungary and Slovenia where Strategy dominates (24% resp. 26%);
- the countries where Consulting represents between 50% and 60%: UK (58%) and Denmark (54%). For the UK, Outsourcing (34%) comes just after Business Consulting (40%). IT Consulting (54%) is the greater activity for Denmark.
- the countries where Consulting represents a market share of less than 50%: Spain (20%) and Switzerland (30%). With respectively 44% and 70%, Development and Integration are the principal activity in both countries.

Tab. 6: MC Market
Composition by
Service Line
(% of turnover)

Tab. 7: MC Market
Composition
by Service Line
(million €)

Fig. 10: Breakdown of MC in selected Key Countries (million €)



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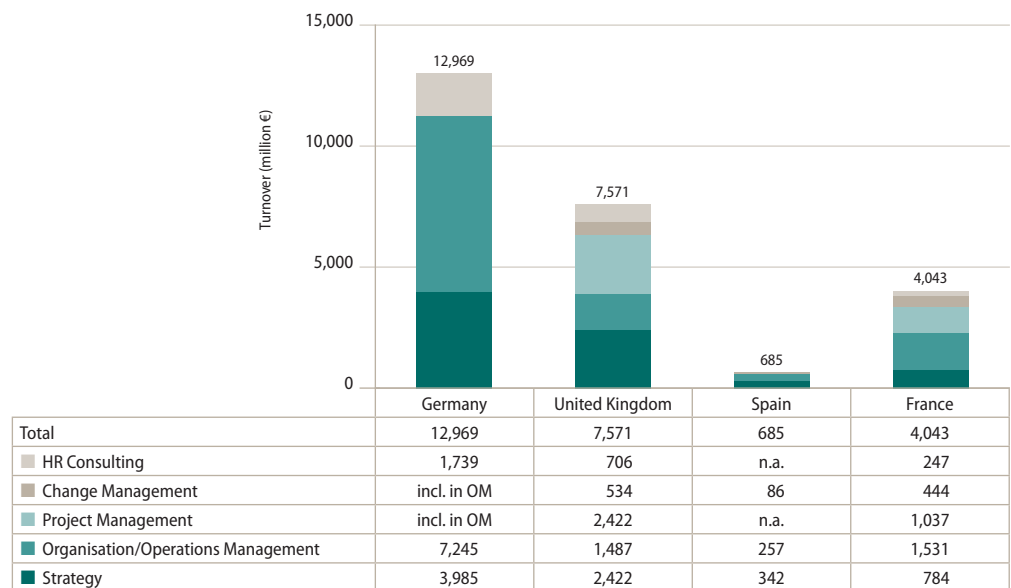
Considering the turnover in volume, the four key countries show that:

- regarding total **Business Consulting** turnover only, France comes in third position after Germany and the UK, while Spain comes in third place when regarding the total turnover; for **IT Consulting**, the UK dominates the market, very closely followed by Germany, respectively € 3,509 bn and € 3,478 bn ;
- the **Outsourcing** market is by far the largest in the UK (53 %) ;
- the **Development & Integration** market is realised by Germany and Spain (75 %).

Considering the turnover in volume, Business Consulting stands for different activities according to the characteristics of the key countries:

- **Organisation/Operations Management** is the heart of Business Consulting in Germany (56 % of domestic Business Consulting turnover) and in France (38 %) ;
- for the UK, **Strategy** and **Project Management** account for 64 % of the Business Consulting activities.

Fig. 11: Breakdown of Business Consulting in selected Key Countries (million €)



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Analysis by Client Sector

Considering the whole of Europe, in 2007 the most important client sectors were Industry (32%), Banking and Insurance (23%) and the Public sector (14%).

The **Public sector** is the major client in four countries: The UK, Denmark, Greece and Hungary. In Spain, France and Switzerland, the **Banking & Insurance** sector occupies the first position, while German and Slovenian companies work mostly for the **Industry sector**.

	CH	DE	DK	ES	FR	GR	HU	SI	UK
Total turnover (million €)	803	24,150	2,150	8,561	7,839	234	346	226	19,070
Banking & Insurance	30%	24%	15%	27%	31%	8%	29%	11%	20%
Industry	23%	34%	21%	10%	28%	23%	8%	36%	19%
Telecoms & Media	7%	8%	12%	16%	9%	6%	4%	9%	7%
Wholesale & Retail	3%	4%	3%	4%	6%	5%	9%	8%	5%
Energy & Utilities	5%	7%	6%	10%	10%	4%	1%	8%	7%
Transport & Travel	4%	6%	3%	8%	3%	3%	< 0.5%	3%	4%
Public sector	7%	9%	31%	17%	8%	38%	43%	15%	21%
Healthcare (pharmaceuticals & biotech included)	17%	3%	5%	4%	1%	5%	< 0.5%	4%	12%
Other	4%	5%	4%	4%	4%	9%	7%	7%	5%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%

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	CH	DE	DK	ES	FR	GR	HU	SI	UK
Total turnover (million €)	803	24,150	2,150	8,561	7,839	234	346	226	19,070
Banking & Insurance	241	5,796	331	2,311	2,430	19	99	24	3,890
Industry	185	8,308	458	856	2,195	53	28	81	3,623
Telecoms & Media	56	1,884	254	1,370	706	15	15	20	1,257
Wholesale & Retail	24	942	54	342	470	11	31	18	1,030
Energy & Utilities	40	1,618	118	856	784	9	2	17	1,240
Transport & Travel	32	1,425	62	685	235	6	< 1	7	706
Public sector	56	2,222	673	1,455	627	89	149	34	4,081
Healthcare (pharmaceuticals & biotech included)	137	797	114	342	78	11	1	9	2,288
Other	32	1,159	86	342	314	21	24	16	955
Total	803	24,150	2,150	8,561	7,839	234	346	226	19,070

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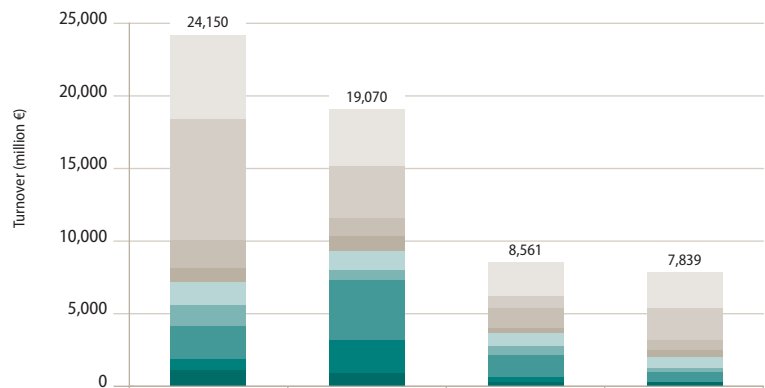
Beyond these three majors sectors, we can notice some other specificities by country:

- UK: **Healthcare**, the fourth largest national sector, accounts for 12% of the total turnover while it is less than 5% in other countries (with the exception of Switzerland);
- Spain: **Telecoms & Media**, the third largest national sector, generated almost the same turnover as the public sector;
- France: **Energy & Utilities**, the third largest sector, exceeds turnover from the Public sector.

Tab. 8: MC Market
Composition by
Client Sector
(% of turnover)

Tab. 9: MC Market
Composition
by Client Sector
(million €)

Fig. 12 Key Market
Composition by
Client Sector



	Germany	United Kingdom	Spain	France
Total	24,150	19,070	8,561	7,839
Banking & Insurance	5,796	3,890	2,311	2,430
Industry	8,308	3,623	856	2,195
Telecoms & Media	1,884	1,257	1,370	706
Wholesale & Retail	942	1,030	342	470
Energy & Utilities	1,618	1,240	856	784
Transport & Travel	1,425	706	685	235
Public Sector	2,222	4,081	1,455	627
Healthcare (pharmaceuticals & biotech included)	797	2,288	342	78
Other	1,159	955	342	314

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Considering the four key countries, analysis of the turnover in volume shows that:

- the Industry sector is the number one purchaser of consulting services in Germany while for the three other countries it is Banking & Insurance;
- the German Industry sector generates 2.3 times the UK industries activity, 3.8 times the French and 9.7 times the Spanish;
- the German turnover in Banking & Insurance equals 1.5 times the UK activity, 2.5 times the French and 2.4 times the Spanish.
- the Public sector in the UK generates twice the turnover of the German Public sector, 3 times that of the Spanish Public sector and 7 times that of the French.

Main trends in Management Consulting in 2007/2008

* Feaco estimates:

When the data could not be collected for some countries, estimates have been made. These estimates are indicated with an asterisk (*)

Bulgaria

The Bulgarian market has started to show a clearer segmentation and positioning of the consulting companies. Demand is increasing, partly because of the entry into the market of foreign companies who are used to hiring consultants. It continues to be the case that only a limited number of Bulgarian companies can afford to pay for quality services. The diversity of consulting services on offer is increasing, as well as the nationalities of the consulting companies acting in Bulgaria causing more competition among the consulting companies. New market entrants keep appearing. More and more firms, even small ones deliver consulting services across borders either personally on assignment basis, or through local partners.

One of the main market drivers continues to be the stable economic situation and the entry of Bulgaria into the EU, which brought considerable foreign investment. EU membership also led to an increase in demand from the Public sector for the "EU adaptation".

Given the substantial increase in funding from the EU Structural & Cohesion Funds (compared to the pre-accession funding), the start of the European Structural Funds programme is also likely to cause a dramatic increase in demand from Public sector clients in 2008. All ministries and the Sofia Municipality are creating databases of consulting firms for the future beneficiaries of the programmes.

Since the development of projects under the operational programmes differs significantly from the projects under PHARE and ISPA (except for competition and administrative capacity), companies need to re-direct part of their services to the development of projects funded by the EU Structural and Cohesion Funds.

Management Consultancy services for the Private sector, especially investment services, have steadily increased – at least by 50%, as a result of the start of the operational programmes and the programme for rural development. This demand is likely to generate new types of consulting services.

Financial stability and business growth allow more companies to invest in consultancy. The many mergers and acquisitions demonstrate that the Bulgarian economy is not escaping from internationalisation

and globalisation. The inflow of know-how and business practices has an educational effect on the market. There is an increasing need for more knowledge and skills to meet the needs of companies. Investment in IT (hardware & software) and other new technologies, calls for experienced consultants to assist with the process of technological restructuring.

Many new companies, new Bulgarian players and foreign companies, are appearing on the market. The increasing competition among the consultants is creating confusion among the (potential) clients as there are huge variations in price and quality.

The PHARE and ISPA tenders require a minimum turnover of € 1.5 million from consulting companies. This is a huge constraint for the development of Bulgarian companies for whom this is unachievable. Many public tenders are also out of reach for Bulgarian consulting companies because of the excessive references that authorities require.

In addition to the inevitable problems related to the lack of experience with the management of these funds (which can also be seen as an opportunity for Management Consultancy) and the continuing problems with the capacity of the beneficiaries to administer the grants, Management Consultancy for Public sector clients is also confronted with the risk of cancellation of the funds by the European Commission because of, for instance, the lack of adequate control systems or the lack of absorption due to slow and bureaucratic procedures, as well as the relatively low 'administrative capacity' of the public institutions involved.

The average fee rates are slowly going up because of the increased confidence of Bulgarian consultants in competing with the international consultants.

The major challenge for the MC industry in Bulgaria is the difficulty of recruiting or retaining qualified staff. There is a growing need for qualified personnel and, in view of this, a high demand for vocational training services. Since there are only few organisations that provide such services, employers themselves are searching for ways to increase the competence and skills of their employees.

Bulgaria	
Total turnover (million euros)	90*
Growth rate	
Growth rate (prevision)	
Key service lines (%)	
Business Consulting	
IT Consulting	
Development & Integration	
Outsourcing	
Other Services	
Key sectors	
Export (%)	
EU	
Countries outside the EU	
Number of consultants	
Total staff	1,500*

Client behaviour towards consultants still varies widely. One of the reasons for the continuing reticence of clients could be the lack of knowledge on how to deal with consultants and how MC services can benefit clients. The current "retro-active" and reticent behaviour of clients hampers the development of the market. More work is needed to promote the sector in general and to teach clients how to work with consultants.

Nevertheless, some progress can be observed as more clients become aware of the benefits of sharing their short to long term development plans with consultants and appear to be interested in developing long term relationships. There are indications that -compared to previous years - some clients are better able to assess the quality of the services. Clients therefore become more demanding (in a positive manner) about deliverables and the relationship with the consultants. More foreign consultancies and the increase in demand for quality consultancy services makes it possible to have project fees which are well above the level of 2-3 years ago, but also leads to more Bulgarian companies and more competition.

Cross-border activities of the Bulgarian companies remain limited to their closest neighbours in the Balkan countries (predominantly Serbia, FYROM, Bosnia and Herzegovina, Montenegro and Croatia), as well as some ex-Soviet republics. This is primarily due to the already existing relations between these countries, secondly, to the similar macro-economic development of those countries which creates possibilities for exporting know-how to those neighbouring countries and thirdly, to the common language.

Some Bulgarian companies though have expectations to expand to the West-European market. Others (members of international networks) aim at continuing growth in the Near East and Asia.

The demand for consulting services is very varied: production management and modernization, solving social and urban problems of the communities, infrastructure projects for regional development and protection of the environment etc. This will require more effective control of the competency of the consultancy providers.

Czech Republic	
Total turnover (million euros)	439
Growth rate	7.7%
Growth rate (prevision)	2.2%
Key service lines (%)	
Business Consulting	
IT Consulting	
Development & Integration	
Outsourcing	
Other Services	
Key sectors	
Export (%)	
EU	
Countries outside the EU	
Number of consultants	8,530
Total staff	9,290

Czech Republic

The Czech economy continued to grow steadily, in line with the general European economic development. The perspective for 2008 is continued growth, which is also one of the main drivers of the development of the MC market as well as the globalisation of the economy.

Together with the large companies more medium size companies started or continued demanding MC services. More local companies prepared for mergers and acquisitions than previously.

government. The major issues are: restructuring, increase of efficiency and competitiveness.

The average fee rate shows very little improvement, and when converted into euro it shows that the improvement is more due to the appreciation of the Czech crown than to an actual increase.

The major present and/or future challenges and opportunities for the MC industry are the continued restructuring due to globalisation (cost reductions, internal processes optimization), strategy adjustments due to increasing global competition and support of more international trade involvement and activities.

The client – consultant relationship is steadily improving. More and more medium-sized or even smaller companies are requesting consulting services. The major partner for a consultant remains top management.

Cost reduction, globalisation (new markets & competition), implementation of new IT and communication systems are expected to become the 3 main priorities of clients in the next years.

Local companies (Czech owned) are expanding abroad, especially to the neighbouring countries (Slovakia, Poland) and further into east and south-east Europe (Russia, Bulgaria, Romania). Some even expanded to the Far East (particularly China). In general, they are successful, they tend to follow their Czech clients who are considering expanding or have obtained assignments from local companies.

The Czech MC sector consists broadly of 2 parts:

1. International companies, working for foreign investors or multinational companies, large Czech companies and government authorities and Czech owned companies, some of which rank among the largest market players and whose position is comparable to that of some international players. These companies, approximately 30 in number, account for more than 50 % of the market turnover. All the big international players are present on the Czech market.

2. Hundreds of small consultancy companies - an estimated 1500 - and companies that have a consultancy division as a part of a wider range of activities. These companies account for the rest of the market turnover.

The main clients come from the industry sector, followed by the Banking sector and the Public sector/

Denmark

For more detailed information on the Danish MC market see the Dansk Management Raad (DMR) report on www.dmr.nu, or email to: info@dmr.nu

Denmark	
Total turnover (million euros)	2,150
Growth rate	10.4%
Growth rate (prevision)	23.6%
Key service lines (%)	
Business Consulting	54.0%
IT Consulting	
Development & Integration	14.0%
Outsourcing	13.0%
Other Services	19.0%
Key sectors	Public Sector (31%) Industry (21%)
Export (%)	19.0%
EU	14.6%
Countries outside the EU	4.4%
Number of consultants	n.a.
Total staff	14,150*

France

2007 was a good year for most French consulting firms across all areas. Small firms are more vulnerable to market changes, but even most of these reported good growth as well. Of the three recent years of growth, 2007 was the best year so far. Overall growth was 13.7% in 2007, bringing the total market turnover to an estimated € 7.8 billion.

For 2008, widespread media coverage of the subprime and wider credit crisis led many consulting firms to expect demand for consulting to fall. But the overwhelming majority of firms have not yet seen any sign of an economic downturn. This puts planners and forecasters in a difficult position: most of them expect growth in demand for consulting to slow down towards the year end, but there are no signs of any slowdown yet and no idea of what is in store: a temporary downturn or a full-fledged crisis.

Globalisation, although not a new issue, particularly to the bigger firms accustomed to working with large, global clients, continues to be a main driver. What is striking however is the extent to which even quite small-scale firms now need to be prepared to work in other countries as their clients, too, become more international. For many firms – big and small – being international is viewed as a critical component for future growth. Being purely a domestic player also limits the kinds of clients you can work with. This issue is also driving a restructuring of the consulting industry itself.

For all the effort and money invested by consulting companies in sales and marketing, most clients still complain that they find it hard to tell them apart and get clarity about the fields in which a firm specialises. This is not a new criticism; however, the prospect of an economic downturn puts the issue into an even sharper relief.

If anything, the market appears to be moving in favour of the specialists. The irony is that specialisation is coming at a time when the boundary between consulting disciplines is being eroded, "Strategy firms are doing more operational work, operational consulting and accounting firms are looking to do more strategy work and IT firms are talking about large-scale business transformations." Therefore, clients are keen to segment the industry in order to understand the underlying differences between firms, something that is likely to make it harder for firms to move into new markets.

Continued growth inevitably means increasingly intense competition to attract and retain the best people, which, subsequently, inevitably creates salary inflation. People are attracted to the industry for different reasons: there is much more emphasis on corporate social responsibility and the ability of a company to accommodate work-life balance issues.

Over time, the "war for talent" will be one of the factors driving consolidation in the consulting industry. At the same time, there is an awareness of the risks of recruiting too quickly. "Consulting is a less attractive industry today than it was in 2000 because people still remember that it recruited too quickly and then subsequently had to lay people off in 2001-04 because of overcapacity".

Twenty consulting companies (9% of the total market) operating in the French market reported a turnover of over € 56 million in 2007. These companies, whose turnover varied between € 56 million and € 151 million, showed a record growth rate of 27% in 2007, i.e. twice as much as the average growth rate. Together they account for 70% of the total market turnover. This performance is mainly due to two fac-

France	
Total turnover (million euros)	7,839
Growth rate	13.7%
Growth rate (prevision)	9.0%
Key service lines (%)	
Business Consulting	52.0%
IT Consulting	11.0%
Development & Integration	16.0%
Outsourcing	14.0%
Other Services	7.0%
Key sectors	Banking & Insurance (31%) Industry (28%)
Export (%)	10.0%
EU	6.0%
Countries outside the EU	4.0%
Number of consultants	47,115
Total staff	52,350

tors: concentration of the number of players as a result of mergers and acquisitions, and the resurgence of consulting activities within audit firms.

At the other end of the spectrum, consulting firms with a turnover of less than €14 million represent 78% of the number of firms and 16% of market share. These smaller firms can be considered as specialists, but the advantages of this may not outweigh these three major drawbacks:

- Lack of staff: In an already tough recruitment market, smaller firms have found it hard to compete with the higher salaries larger firms can afford to offer.
- Changes in procurement: The centralisation of procurement and introduction of preferred supplier lists almost always favours larger, better known firms.
- Globalisation: The more clients acquire international operations, the more they expect the consulting firms they work with to be able to work in different parts of the world, a situation that inevitably favours the large, global consulting firms.

The only demand to grow faster than the overall average in 2007 was that of the Industry sector. Demand by this sector grew at roughly twice the average rate and now accounts for 28% of total demand. By contrast demand by the Financial Services sector, which grew considerably in the two previous years, remained in line with the average in 2007 and demand by the Public sector and Energy sector shrank.

2007 was a good year for manufacturing consultants because of a combination of restructuring, global sourcing and intense pressure on costs. Some of that restructuring has been prompted by globalisation, and, as a result, Supply Chain and Sourcing consulting are booming in this sector. Some of the increase however is the result of private equity activity and that, too, is driving up demand for consultants.

Nevertheless, Financial Services still account for 31% of the total market. More than 60% of the work is generated by banks; 32% comes from Insurance companies. Widespread media coverage of the sub-prime and wider credit crisis led many consulting firms to expect demand for consulting from the financial sector to fall. One specific reason for continued growth is that, although the overall level of regulatory-driven activity is now falling, operational risks issues have triggered an increase in risk-related work. A continuous source of demand forms the large-scale operational and IT improvement work that financial institutions competing in global markets have to undertake.

In 2007 the telecoms sector grew by 7% on 2006. Demand for consulting continues to be driven by a combination of global competition, cost and other operational pressures and technology change. However, intense competition between consulting firms makes this a particularly tough market.

Demand for consulting among energy companies fell by 12.5% in 2007. This is surprising because in other countries, the high price of oil has meant that oil companies have money to invest and spending on consulting has been especially buoyant. However, analysed over a longer period, demand in this sector is still significantly higher than it was just a few years ago. The fall in demand in 2007 may therefore simply be a sign that clients, having spent heavily in previous years, are drawing breath.

Demand from the Public sector is down by around 9% on 2006. Some of the big initiatives commissioned in 2006 have now come to an end and the Public sector is trying to save money across the board. "The state is out of money, but the Public sector will remain a significant market for consultants because there is a big need to modernize." This means that, irrespective of the fall in demand in 2007, underlying demand is still roughly twice what it was at the turn of the century. However, the market is likely to change, as public spending cuts have a greater impact. Firms do not expect a sudden fall in expenditure on consultants, but a shift towards a smaller number of bigger projects.

Average daily fee rates have risen in the last year by between 2 and 6%. The 14% overall growth in 2007 can be attributed to price increase (4%) and volume (10%).

Procurement has become more powerful, and the more international a company is, the more powerful its procurement department. It cuts the cost of sales because being on a preferred supplier list means getting invited to tender for more projects but, at the same time, it keeps prices low even when demand is high, because consultants are working to a pre-defined set of fee rates. Rates for Strategy Consulting appear to have held up well. The more specialised a firm's skills, the less it is subject to price pressure. In the Public sector in particular, managers do not hesitate to pay higher rates for higher quality.

For more detailed information on the French MC market see the Syntec Management report: *Etude Annuelle 2007/2008 sur le Marché du Conseil en Management en France*; www.syntec-management.com, or email to: dg@groupement-syntec.org

Germany

In 2007 the turnover increased by 11.8% to €16.4 billion (2006: €14.7 billion). In spite of the worldwide conjuncture risks the prognosis for the consultancy sector in Germany for 2008 is very optimistic. Almost 80% of the Consulting firms have positive expectations. Many plan to recruit more staff, even many small and medium-sized firms. Companies have the intention to increase the share of female consultants from 18% in 2007 to 25% in 2010.

Clients expect demonstrated value added. For 2008 the sector expects impulses from the Chemical and Pharmaceutical sector, the Machinery sector and the Utilities sector. By the selection of consultants four criteria are important: Expertise in implementation, a high impact on client success, knowledge and understanding of client's requirements and solutions.

The changes in turnover in 2007 differed considerably between the various market segments. The firms in the sector of €5 - €45 million turnover reported an average increase of 14% (2006: 10.1%) in comparison to the previous year. More than half reported an increase of over 15% (2006: 35%). Companies with a turnover of over €45 million reported an 11% increase (2006: 8.5%). Also 50% of the companies in the category €500 000 - €1 million report-

ed more than 15% growth. However, there were not only winners this year; quite a few smaller firms again reported a decrease in turnover: about 20% of the companies with a turnover of less than €250 000 (2006: 19%).

The largest service sector remains Operations Management which accounts for 30% of the market. Development and Integration for 20%, Strategy Consulting for 17% and IT Consulting for 14%. HR Consulting and Outsourcing both for about 7%.

There were no significant changes in the client sectors. The highest demand still comes from the Automotive industry, Machinery and other Manufacturing sectors, accounting for one third of total demand. The Financial sector accounts for one quarter of total demand.

For more detailed information on the German MC market see the Bundesverband Deutscher Unternehmensberater (BDU) report: Facts & Figures zum Beratermarkt 2007/2008; <http://www.bdu.de/Managementberatung.html>, or email to: rei@bdu.de

Germany	
Total turnover (million euros)	24,150
Growth rate	11.8%
Growth rate (prevision)	15.4%
Key service lines (%)	
Business Consulting	53.7%
IT Consulting	14.4%
Development & Integration	19.9%
Outsourcing	6.6%
Other Services	5.4%
Key sectors	Industry (34%) Banking & Insurance (24%)
Export (%)	15.0%
EU	11.0%
Countries outside the EU	4.0%
Number of consultants	120,000
Total staff	168,000

Greece

2007 was a good year for Greek consulting companies. The main drivers for growth were the increasing demand from the Public sector for reorganisation projects, the completion of the 3rd Support Framework Programme and a new stream of PPP projects and the globalisation and demand from emerging markets in the Balkans and Eastern Europe due to EU enlargement.

The main client sectors are the Public sector and the EU, and the Industry, Financial Services, Energy, Telecommunications, Healthcare and Tourism sectors. The major types of assignments were Project Management, business plans, EU co-funded projects, Training, Integration and Development.

No major changes have been observed in client behaviour. Emphasis is given to more specialised, high quality and value for money services, especially in the Private sector. The pressure on rates has continued, in both the public and Private sectors. The decision for selecting a MC firm is mostly based on the following criteria: price, past or existing relationship, reputation and image of the MC firm, past relevant experience, trust.

Fee rates have remained stable, but a slight increase is expected in 2008.

Recruiting and retaining qualified staff remains a challenge as well as increasing penetration in new markets.

The MC sector consists of a large number of consulting firms and freelancers compared to the size of the Greek MC Services market. As for the size of MC firms, members of SESMA, the market is structured as follows: large firms: 34%, medium sized firms: 47%, small firms: 21%. Furthermore the market share of the three categories of firms is as follows: large firms: 83.3%, medium sized firms: 14.5%, small firms: 2.2%. Regarding small players, a large number of freelancers are covering the needs of small and very small firms in Greece, but reliable data are not available.

In the next year Greek companies intend to expand their cross-border business to the Eastern EU and Eastern Europe, Africa and Asia. Many companies have already expanded abroad, with a high degree of success.

Greece	
Total turnover (million euros)	234
Growth rate	15.8%
Growth rate (prevision)	16.2%
Key service lines (%)	
Business Consulting	65.0%
IT Consulting	8.0%
Development & Integration	7.0%
Outsourcing	5.0%
Other Services	15.0%
Key sectors	Public Sector (38%) Industry (23%)
Export (%)	21.6%
EU	17.6%
Countries outside the EU	4.0%
Number of consultants	1,640
Total staff	1,900

Poland	
Total turnover (million euros)	299*
Growth rate	15.0%
Growth rate (prevision)	
Key service lines (%)	
Business Consulting	
IT Consulting	
Development & Integration	
Outsourcing	
Other Services	
Key sectors	
Export (%)	
EU	
Countries outside the EU	
Number of consultants	
Total staff	6,000*

Poland

The economic situation in Poland in 2007 was good; there was a 6,5% GDP growth rate and significant business activity. There were many projects especially investment and restructuring projects, which accounted for a large part for the 15% increase in turnover compared to 2006. The same economic growth is expected for 2008, but already stagnation in EU projects can be observed, as projects from the previous EU financing period 2004-2006 are still being finalised and the start of the 2007-2013 period has been delayed.

The most important positive influences on the development of the MC market are the economic growth in the country, but also the European Structural Funds, which caused an increase of demand from consulting services in the public as well as in the private sector.

Despite the economic growth, there are some factors that cause destabilization on the market, such as political changes and a lack of decision taking by the public sector (especially as regards public health and energy).

The Polish MC market continues to develop progressively, new small local firms continue to appear, but the market is dominated by the so-called "Big Four" consulting companies.

Clients come mostly from the Financial sector (banks, insurance companies, foundations), the Energy sector and Telecommunications sector. The Public sector is also an important client.

Fee rates for consulting services remained mostly stable for all types of consulting services.

The market is very competitive; supply is higher than demand. Clients' choice is increasing. The quality of the Consulting services and the level of innovation are crucial criteria for selecting a Consulting company. Globalisation, new IT and Telecommunication systems, privatisation and many other factors caused not only an increase in demand for consultancy services but also influenced the nature and quality of this demand. Clients expect creativity and innovation, and often also immediate results. Consulting companies are thus faced with higher client expectations and increasing competition, especially among small local firms.

Clients have become more experienced in business and are more aware of the situation on the national market. The client - consultant relationships are taking the form of a cooperation/partnership. Clients themselves take a more creative and active attitude and are more demanding about results. It is more and more common to build project teams composed of both client and consultant representatives. Types and length of assignments vary, depending on the subject of the project.

The following objectives will become/remain the main priorities of clients in the next years:

- a) Supply optimization,
- b) Globalization (new markets & competition),
- c) Innovation,
- d) Increased risk,
- e) Implementation of new IT and Communication systems

Local companies appear to have little intention to expand their business cross-border. Those who tried to do so in previous years, for example in Eastern Europe, did not succeed.

Portugal	
Total turnover (million euros)	1,100
Growth rate	4.8%
Growth rate (prevision)	4.9%
Key service lines (%)	
Business Consulting	
IT Consulting	
Development & Integration	
Outsourcing	
Other Services	
Key sectors	
Export (%)	
EU	
Countries outside the EU	
Number of consultants	8,200
Total staff	15,150

Portugal

In 2007 there was a moderate recovery of the economic activity in Portugal, with a GDP growth of around 1.9%, according to the Bank of Portugal (in 2005 and 2006 the GDP growth was 0.5% and 1.2%, respectively). This evolution of the Portuguese economy was mostly due to an increase in productivity, reflecting higher capacity utilisation, and also to higher exports, domestic demand and private investment. Exports were the most dynamic component of demand, with an estimated growth of around 7%.

For 2008 the Portuguese financial authorities expect a continuation of the economic recovery, but with a

GDP growth of only around 2%. This projection reflects higher than usual uncertainty and downward risks, related to the international economic and financial situation.

In the last few years the corporate sector has been undergoing a restructuring process, aimed at reducing costs and increasing the added value of products. As a result, exports are becoming more capital and technology-intensive and less labour-intensive.

Companies need to be more competitive in order to survive and to do so many hire consultants to get advice. The slight increase in investment (around 2.6%, according to the Bank of Portugal) has also been a driver for growth in the consultancy market.

Uncertainty in the economic outlook is probably the main constraint to growth. The recovery of the Portuguese economy has been steady in the last 2 years, but the recent evolution of the international situation has had an impact in the confidence level of businessmen.

The Portuguese Management Consultancy market is dominated by multinational companies with long experience and strong ties with national corporate groups and with branches of multinational companies. There are also independent small and medium size companies, highly specialised in some areas of activity, focused on the client and with a good cost/benefit ratio. Some of these companies have significant international experience, particularly in African Portuguese speaking countries.

The major national corporate groups and the multinational companies are the main clients of the sector. However, some small and medium sized companies regularly hire management consultants. These are mostly companies that have a long-term vision of their business and want to expand it.

The main client sectors are consumer goods and Public administration. The major issues management consultants address are: competitive gains; cost reduction and innovation. These are the main benefits clients want to achieve when hiring a consultant.

Due to the slow or moderate economic recovery of the last 3 years, the average fee rates remained almost unchanged. This has led to a decrease in profit margins for the companies. For 2008 no significant change is expected.

With the full implementation of the National Strategic Reference Framework (known as "QREN" in Portugal), which will last until 2013, investment levels, both public and private, will increase in the next years. The funds will help entrepreneurs and existing companies achieve competitive gains through

Romania

In recent years Romania has become a hotspot for western European investments; Petrol, Automotive, Utilities and Banking are some of the economic sectors which underwent important transformations as a result of the entrance of large multinational players on the respective markets. New markets and economic sectors are emerging, therefore offering significant growth potential for the Romanian market, which will definitely have a positive effect on the MC market.

The main market drivers were the same as last year's: economy stability and growth, foreign investments

product innovation, better qualifications and sustainable development. This constitutes an opportunity for management consultants to intervene in the restructuring of the economy.

Large public works (new Lisbon Airport, high speed railway network, new bridges, roads and dams) are also expected to have a positive impact on Management Consultancy growth.

When clients hire a consultant, they want solutions to their problems with fast and clear results. Therefore they have become more selective, choosing consultants that have proven to be competent and results oriented in the past. In addition to this, in the last years inefficient consultancies have had to close their doors. So the market is now more competitive and clients are more demanding.

Growth, cost reduction and Client Relationship Management will become/remain the 3 main priorities of clients in the next years.

The Portuguese Management Consultancy companies that have international activity are mainly focused on the Portuguese speaking countries, particularly the African ones. After several years of conflicts, these countries are now more stable and are developing their economies.

In 2007 Angola had a GDP growth of 24% and Portuguese exports to this market increased by 19%. Companies from several sectors want to take advantage of the Angolan economic recovery, which is due to continue, and many have already set up branches in the country.

Management consultancies are also interested in other markets, like Eastern Europe and North Africa, and they are trying to take advantage of the opportunities offered by EU framework contracts and by other multilateral agencies (ADB, AFDB, WB and IADB).

and the inflow of EU money. The constraints also remained the same: bureaucracy and the low acceptance of MC services by both the Public and the Private sector.

The Romanian MC sector is not dominated by a few players, although the "Big Four" account together for approximately 30% of the market turnover. Probably another 30% is imported from abroad, and the rest is billed by local players. The local players market (around 800 companies) is atomised; a consolidation is expected over the next years. From the local players only around 5 companies have turnovers of over €3 million.

Romania	
Total turnover (million euros)	340
Growth rate	30.0%
Growth rate (prevision)	40.0%
Key service lines (%)	
Business Consulting	
IT Consulting	
Development & Integration	
Outsourcing	
Other Services	
Key sectors	
Export (%)	
EU	
Countries outside the EU	
Number of consultants	7,000
Total staff	8,750

The main client sectors for the consulting industry in 2007 were the Utilities, Banking and Industry sectors. Demand concerned post-merger integration, Business Transformation and Mergers & Acquisitions.

The local fee rates have increased significantly, although they are still 3 to 4 times lower than western rates.

The major challenge for local companies is to be able to organise consulting structures capable of responding to the client demands and consequently to benefit from the rapid market growth and opportunities.

Although there has clearly been progress in the consultant - client relationship over the last years, there is ample room for improvement. In this respect, the role of a professional Association, connected to international institutions, is of high importance.

Growth, M&A activities and implementation of new IT and communication systems are likely to be the 3 main priorities of clients in the next years.

Most Romanian consulting companies are too small to expand; however, some are starting to be present in regional markets such as Moldova, Ukraine, former Yugoslavia, or have become part of transnational European networks.

Slovenia	
Total turnover (million euros)	226
Growth rate	19,5%
Growth rate (prevision)	9,0%
Key service lines (%)	
Business Consulting	60,5%
IT Consulting	16,5%
Development & Integration	8,0%
Outsourcing	1,0%
Other Services	14,0%
Key sectors	Industry (36%)
Export (%)	12,0%
EU	5,0%
Countries outside the EU	7,0%
Number of consultants	2,460
Total staff	2,830

Slovenia

In Slovenia, 2007 was a prosperous year with a very good business climate and a very high investment rate. The second half of the year was slightly less optimistic but results were still above average. GDP growth was high and its overall impact on the economy very good. GDP growth in 2007 was 6.1%. Inflation was higher than expected, 3,6% on average, but also considered an important factor to growth.

The MC market demonstrated an impressive growth of 20% which was more than expected. This was in a large part due to the high investment in many industry sectors, particularly in the construction sector. Exports in Management Consulting were also higher than in 2006, by 12%.

Average consulting fees did not change much although some consulting companies succeeded in raising their average and/or upper fee limit.

Employment: while some companies recruited new consultants, some others – mainly the smaller ones lost some employees. The overall number of employed consultants – experts has not really increased.

Prospects for 2008:

While increasing energy and other raw materials costs have made it clear that profits in some industries will be less than expected in 2007, financial costs (interest rate and bank fees) have also started to go up. Estimated GDP growth for 2008 is 4%.

Thus, forecasts for 2008 are more modest. The impact of high prices is and will be even more considerable. Client companies have already imposed a saving policy and costs are becoming an important factor in this decision making process. Trade unions

are very active and social agreements will not be easily concluded. Salaries are – among other costs – expected to grow.

The main factors for growth of the consultancy market were the good general economic situation, the search for new markets, the post-privatization process (M&A), the EU new finance perspective and increased demand from the Public sector, the SEE development programmes and projects, process and organisational restructuring in companies and the increasing awareness of the benefits of management consultants.

Constraints were formed by the Public sector not adequately presented as an important and transparent client, a kind of prudence and reticence of managers as a result of increasing prices of energy and raw materials, self-sufficient managers, management still convinced that consulting cannot really help and / or bring value added, slow motion of managers towards innovative business approaches, low quality “consultants” that decrease the credibility of the quality management consultants, and, sometimes, a priori a negative client perception of consulting fee with disregard for the results that could be achieved with the project.

The market is very dispersed. There are many micro and small consulting firms and several international players. The local players have gained in importance and credibility. Co-operating in domestic and also international networks they are able to cope with many different types of projects, from special to very complex ones.

The main client sectors in 2007 were the Industry sector (construction, consumer products, machinery, chemicals...) (36%), the Banking and Insurance sector (11.5%), the Public sector (15%), Trade (8%) and Telecommunication (7%).

Most assignments consisted of short and midterm projects in:

- strategic development
- ownership restructuring
- growth management
- consulting for competing in public tenders
- HRM in all segments (increased demand for training)

The major present and/or future challenges and opportunities for the MC industry in Slovenia are CRM for building long term relationships, efficient tactics for competing with un-loyal competitors, building of networks with other consultants and other business service providers, raising competitiveness, and starting or increasing the export of consulting services.

As regards client - consultant relationship, there is constant pressure on fees as many clients (potential clients) still consider consulting mainly as a cost. However, there are also clients whose choice does not only depend on price.

Clients are more oriented towards short-term projects with a possibility for extension. Client loyal-

ty exists, but is also relative to many factors (change of top managers and/or owners etc...). Competition is strong. A successful project does not necessarily mean a future loyalty.

On the other hand, long term contracts appear after a few years of serious and successful work with clients

Growth, globalisation (new markets & competition), cost reduction and Client Relationship Management will be the 3 main priorities of clients in the next years.

More than before consulting companies intend to expand their cross-border business. Mostly to Eastern Europe, than Eastern and Western EU. Most of those who started exporting services in the past years succeeded. Major obstacles to cross-border expansion are the difference in business culture, building an image and trustful relationship and lack of capital.

Spain

In Spain, 2007 was a robust year for the MC Consulting market with an overall growth of 13.1% and a total turnover of €8,561 billion, mainly driven by major IT services. If budgets declined for maintenance, they increased for new projects related to new businesses or to the improvement of internal processes.

The main drivers for growth were related to cost cutting which created great opportunities for IT Outsourcing, Application Management Services and Business Consulting (process reengineering and change management projects). However, some clients had to delay their projects until the first quarter of 2009. Other constraints were due to the lack of resources – recruitment from both universities and business schools was not always sufficient to keep pace with turnover and to meet expanding market demand.

The MC Consulting market in Spain has two basic components; Strategy Consulting and Management Consulting or Business Consulting. The first segment is dominated by the large international strategy consulting firms. The second, Management Consulting, is controlled by large MC/IT Services companies. There are about six global or big local players which account for 80%-85% of the market turnover. The rest belongs to a second tier, which work closely with regional governments and/or are positioned in "niches". These smaller players are often well positioned, based on a time-to-market approach and competitive fees.

Industry and Financial Services are the main client sectors with a 27% market share each, followed by

the Public Sector (17% market share) and the Telecom industry (15% market share). In 2007, major issues in these sectors were cost reduction, infrastructure consolidation, application management, SOA, business process re-engineering, efficiency and customer relation management.

Because of fierce competition in the MC market as well as cost reduction pressures, average fee rates remained unchanged. This implies for services providers that they have to constantly renew their own practices, processes and tools in order to improve productivity and reduce internal operational costs.

MC consulting and IT services companies are facing four major challenges for the future:

- to accompany clients overseas, mainly financial services and utilities companies in their international expansion,
- to address the specific business needs of small and medium-sized enterprises,
- to help the public sector in improving its processes, efficiency and capabilities,
- to remain sufficiently "glamorous" in order to keep attracting students on the job market.

Four objectives (cost reduction, client relationship management, IT consolidation, processes optimization) should become/remain the main priorities of clients in the next years.

Spain	
Total turnover (million euros)	8,561
Growth rate	13.1%
Growth rate (prevision)	11.0%
Key service lines (%)	
Business Consulting	8.0%
IT Consulting	12.0%
Development & Integration	44.0%
Outsourcing	36.0%
Other Services	n.a.
Key sectors	
	Banking & Insurance (27%)
Export (%)	19.0%
EU	11.0%
Countries outside the EU	8.0%
Number of consultants	n.a.
Total staff	80,000

For more detailed information on the Spanish MC market, see the AEC report: La Consultoría en Es-

paña – el sector en cifras; www.consultoras.org, or email to: consultoras@consultoras.org

Switzerland	
Total turnover (million euros)	803
Growth rate	9.0%
Growth rate (prevision)	7.0%
Key service lines (%)	
Business Consulting	
IT Consulting	70.0%
Development & Integration	30.0%
Outsourcing	n.a.
Other Services	n.a.
Key sectors	
	Banking & Insurance (30%) Industry (23%)
Export (%)	12.0%
EU	8.0%
Countries outside the EU	4.0%
Number of consultants	3,650
Total staff	4,380

Switzerland

Switzerland has still a healthy, growing MC market.

The main drivers for growth of the consultancy market were the same as last year's: Growth of the leading industries, globalisation, M&A activities.

The structure of the MC sector did not change, the top 20 companies account for over 75 % of the Consulting market. Large firms continue to gain ground, at the cost of the small, and particularly the medium sized firms.

There were more strategy assignments.

Also the average fee rates remained largely the same over the past few years and are expected to remain the same in 2008.

The major challenge is finding good and experienced people.

Purchasing departments are for IT not for strategy as this is the wrong approach for good management consulting relations.

The following objectives will be the 3 main priorities of clients in the next years: Growth, Cost reduction and Globalisation (i.e. new markets and competition).

United Kingdom	
Total turnover (million euros)	19,070
Growth rate	4.2%
Growth rate (prevision)	5.0%
Key service lines (%)	
Business Consulting	40.0%
IT Consulting	18.0%
Development & Integration	8.0%
Outsourcing	34.0%
Other Services	n.a.
Key sectors	
	Public Sector (21%) Banking & Insurance (20%)
Export (%)	3.9%
EU	0.2%
Countries outside the EU	3.7%
Number of consultants	97,370
Total staff	107,100

United Kingdom

(This text relates to Management Consultancy Associations (MCA) member firms only.)

Almost all the Private sector markets for consulting began the year in a buoyant mood. Indeed, last year's MCA report gave little indication that there was any cause for concern and its half-year report suggested the industry was growing at the rate of 20%. However, the dramatic change in the stock markets after the summer, caused by the sub-prime mortgage crisis and subsequent credit squeeze, threw a pall over the rest of the year. That growth of the year as a whole was 10% suggests that the market was relatively flat in the second half of the year. Confidence – or the lack of it – may have been more a driver here than economic necessity, with organisations cutting back because of what they think is happening in

the US rather than what is actually happening. Perhaps because people are worrying more about the prospect of a downturn than its actuality, the effect has been patchy with some firms reporting quite a slow-down while others remain comparatively unscathed.

However, the current consensus is that the first quarter of 2008 has not been as bad as anticipated with clients commissioning projects that had been delayed and that the prospects for the year as a whole are for growth between 5 and 10%.

Growth continues to be strong in Financial Services (20%), but some banking saw the rate of growth fall from 40% to 5%, indicating the impact of the credit squeeze. Despite this, demand for IT and people-

related (HR and Change Management) consulting remained strong in this sector. By contrast, the rate of growth in financial management fell sharply, suggesting that many organisations in this sector are now suffering from regulatory "fatigue": they want to invest in IT and employee engagement and are frustrated that much of their attention and resources has been focused on regulatory compliance.

Outside Financial Services, growth was particularly strong in the High-Tech and Telecommunications sector, largely driven by strategic issues and technology convergence.

In terms of service lines, IT Consulting grew strongly overall, as did HR and Change Management Consulting. Most firms have been more cautious about recruitment in the last six months and, although the competition for the best people continues to be intense, only a small minority of firms say that lack of resources is limiting their growth at the moment.

The UK consulting industry continues to be polarised between a small number of very big firms and a large number of much smaller ones. MCA statistics show that the average fee income of the top ten firms rose by 14% whereas that of other firms fell by 2%. 2007 also saw considerable consolidation among mid-tier players, with several firms being bought by overseas firms or outsourcing / IT services companies.

Little is known about how fee rates have evolved over the past years. However, the average annual revenue per consultant has gone up by 2%, while the number of consultants has stayed roughly in line with demand, suggesting that prices have risen very slightly (around the level of inflation).

The data include not only MCA members but are an estimation of the whole of the UK market

The major present and future challenges are: recruiting the right calibre of people, ability to deal with global marketplace, maintaining fee rates and margins and the general economic uncertainty.

Budgets are tighter, as a result of the uncertain economic climate, and more projects are being broken down into smaller phases; procurement people continue to play a very prominent role with many large-scale organisations setting up preferred supplier lists.

Cost reduction, supply optimization and implementation of new IT and communication systems will

become the 3 main priorities of clients in the next years.

We have seen a lot of expansion in the level of overseas work done by MCA member firms, especially in Eastern Europe, Russia and the Middle East, and we expect this to continue in the coming year. The main obstacle is the need (among smaller firms) to establish a base in unfamiliar territory.

For more detailed information on the UK market see the MCA Industry Report 2008; <http://www.mca.org.uk/MCA/Publications/IndustryReport.aspx> or email to: mca@mca.org.uk

About FEACO, The European Federation of Management Consultancies Associations

FEACO, the European Federation of Management Consultancies Associations, a not for profit organisation, was established in 1960. The Federation now counts 20 national member associations:

- sixteen from the European Union: Austria, Belgium, Bulgaria, Cyprus, the Czech Republic, Denmark, Finland, France, Germany, Greece, Hungary, Italy, Poland, Portugal, Romania, Slovenia and Spain;

- one from EFTA: Switzerland;
- two associate members: Bosnia & Herzegovina and Croatia;
- one affiliate member: Hong Kong.

FEACO is a European organisation. Its general purpose is to assist in the promotion and development of the profession of Management Consultancy in Europe by providing support to its constituent National Association membership in those areas where a collective voice is stronger than the sum of its individual members.

Main objectives of FEACO are

- The development of the Management Consultancy market, raising its image and profile at European and international level, by the promotion of common professional ethics, quality and best practice.
- The promotion of the interests of Management Consultancy with the different European and International organisations, by maintaining a close relationship with the European Institutions and other pan-European and international organisations in order to ensure an awareness of and defend professional interests (this does not include lobbying for sales opportunities).
- The development of a dynamic forum for networking and service provision, by encouraging networking by members and between members' members, through the sponsorship and organisation of conferences, meetings and the establishment of mutual interest working groups, and through close cooperation with other consultancy organisations.

Some recent and upcoming activities:

The Europe Committee

The FEACO Europe Committee frequently meets with civil servants and policy makers in the European Institutions and the OECD on the subject of the role of consultants in the provision of external assistance by the EU. In 2007/2008 the EC met with representatives from the national Permanent Representations, the European Parliament, the Commission, the EU Court of Auditors and the OECD.

The Europe Committee published a series of position papers on:

- Global Prices for EU Projects,
- the Budget Support system for Development Aid,
- an efficient system for Appeal (for companies which consider that the EU procurement rules have not been applied correctly by the authorities).

In the pipeline is a position paper on Framework Projects.

For more information and Europe Committee membership see: <http://www.feaco.org>

The Pendo Group

The Pendo group launched its 'Report on Managing Change in Europe'; The report is currently being promoted through de-centralised launches in selected member states: Czech Republic, France, Poland and Spain. Within the frame work of managing change the Pendo group has published two Position Papers on

- Global Workforce Mobility and on
- Business Transformation

The Pendo group is currently developing activities in the areas of Innovation, Skilled Workforce, Public Sector Reform and E-Internal Market.

For the Managing Chang in Europe Report and more information on the Pendo Group consult: <http://www.thependogroup.eu/>

2008 Events

In the second half of 2008 FEACO will organize three conferences:

- On 23/24 October the Annual European Management Consulting Conference will take place in Dubrovnik, Croatia. For more information and to register consult: <http://www.feaco2008.com.hr/>
- On 30 October an EU seminar on The Role, Quality and Financial Management of Development Assistance will take place in Brussels, Belgium. For more information and to register please consult the FEACO website: <http://www.feaco.org>
- On 16 December the European Management Consulting Summit will take place in Paris, France. International Consulting Companies and International Client Companies will engage in round table discussions. For more information and to register consult the FEACO website: <http://www.feaco.org>

We look forward to meeting you at our events!

Contact:
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Appendix 1 – definitions–

1. European MC Market:

EU 27 (excl. Ireland, Estonia, Latvia, Lithuania, Luxembourg, Malta, Slovakia), Norway, Switzerland and Bosnia & Herzegovina.

2. Nordic region:

Denmark, Norway, Sweden and Finland

3. Eastern Europe:

Slovenia, Bulgaria, Romania, Hungary, Czech Republic, Slovakia, Poland, Estonia, Latvia and Lithuania.

4. Segmentation and Definitions of Key Client Industry Sectors

Industry Sector:

Aerospace and Defense: includes commercial and defense aerospace, airlines and airports and space (civilian) and related manufacturing and associated research

Automotive Products: automotive (motorized road transport vehicles) manufacturers, suppliers, systems integrators and distributors

Consumer Products: food and tobacco products, textile & apparel, beauty & toiletries, metal (except machinery & automotive products and equipment) wood & furniture, paper and printed products

High Tech Products: all cutting edge technology: including cutting edge technology used in civilian and defense related aerospace.

Machinery

Chemicals

IT hardware, software & computer services

Other industries

Banking and Insurance Sector:

All Banking and Financial services: including commercial banks, investment managers, mutual funds companies, brokerage firms, investment banks, private banking and trust companies, saving banks, credit unions, mortgage banking companies, international banks and finance companies

Insurance: insurance carriers, agents, brokers and services

Healthcare, pharmaceutical and biotech

Healthcare: providers (hospitals and physicians), payers (insurance companies and HMOs) and distributors (of medical equipment and supplies)

Pharmaceuticals and biotech: pharmaceutical manufacturers and biotech companies, including biofuels

Wholesale & Retail Sector:

Wholesale & Retail: all distribution incl. luxury retailers, specialty retailers, mass merchandisers, discount retailers, grocery chains, convenience stores, drug chains, car dealers, restaurants, home improvement chains, catalogue retailers and e-tailers of durable and non-durable goods such as building materials, hardware, general merchandise, food, automotive dealers, apparel and accessories, furniture, food & drink etc ...

Transport & Travel Sector:

Transport/travel includes all transport by air, road or water of goods or passengers: private transportation organisations (travel and urban transport), carriers and shippers as well as logistics services companies

Telecoms and Media Sector:

Communication/Media/Entertainment: publishers, entertainment companies, record labels; all communications not being telecommunications

Telecommunications

Energy & Utilities Sector:

Energy: petrol and gas extraction, coal, mining, clean energies (solar, wind) excluding biofuels (=biotech); chemicals & petrochemicals

Utilities: production and distribution of electricity, gas and water (incl. irrigation systems and sewage treatment)

Public Sector: services provided to all levels of the public sector: local, regional, national and EU.

Other Sectors:

Not for Profit Private Sector

Business services

All other sectors (not industry sectors)

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