



BENCHMARK YOUR CONSULTANCY AGAINST THE BEST



WOW

EVALUATE YOUR PERFORMANCE IN KEY AREAS

ABRIDGED REPORT

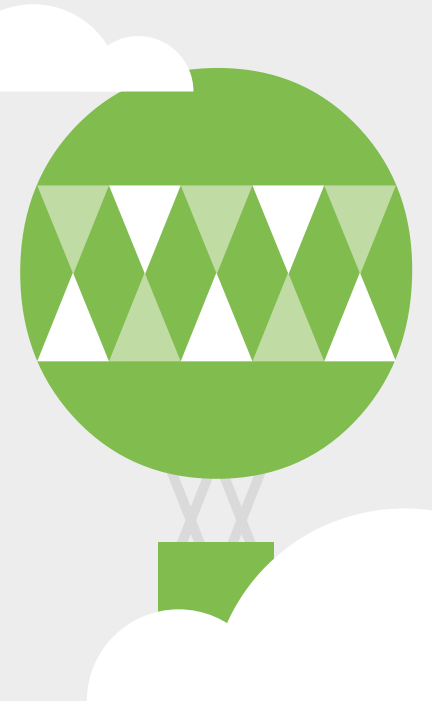
# BENCHMARKS FOR CONSULTING BUSINESSES

2020/21



# CONTENTS

- 3 THE POWER OF BENCHMARKING
- 6 FINANCIAL PERFORMANCE
- 10 HOW CONSULTANCY OWNERS SPEND THEIR TIME
- 15 NEW BUSINESS
- 17 WHO COMPLETED THE SURVEY



# THE POWER OF BENCHMARKING

## THE BENCHPRESS STORY

BenchPress is run by [The Wow Company](#), an accountancy practice that specialises in working with consulting and creative businesses. We started benchmarking UK businesses in 2012 to take an accurate snapshot of performance and to share insight and analysis with ambitious business owners. Since then, BenchPress has grown to become the UK's leading source of benchmarks across a variety of industries.

## INCREASE YOUR CHANCES OF SUCCESS

This year, we've benchmarked consulting businesses for the first time, sharing the results of a nationwide survey in this report. Despite the challenges caused by COVID, there are still many things you can do to ensure your consultancy is profitable and sustainable. We hope these insights get you thinking about the performance of your consultancy and challenge you to take action in key areas.

## GET ACCESS TO THE FULL REPORT

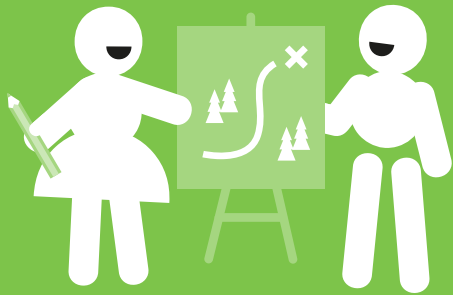
This is an abridged report. [Complete the survey](#) to get the full version. The full version is also available to members of [The Consultancy Growth Network](#) - an international community for consulting business owners enjoying access to insights, introductions and actionable advice.



FIND OUT MORE ABOUT  
THE CONSULTANCY GROWTH NETWORK

**BOOK A CALL WITH GEORGE**

# THE HEADLINES



## REFERRALS ARE THE MOST EFFECTIVE SALES STRATEGY

41% of new clients come from referrals. Find out how else consulting businesses win new clients and the tactics that really work when it comes to new business in the full report.



## THE TOP 10% CHARGE £4,780 PER DAY

The average day rate charged for partners is £2,137. However, the top-performing firms are charging more than double that. Find out what rates they're charging for every role in the full report.



## THE LEADING CONSULTING BUSINESS OWNERS EARN £250K+

21% are drawing £250K per year or more, with 6% drawing over £500K. Find out how you compare and how the size of your consultancy will impact your earnings in the full report.

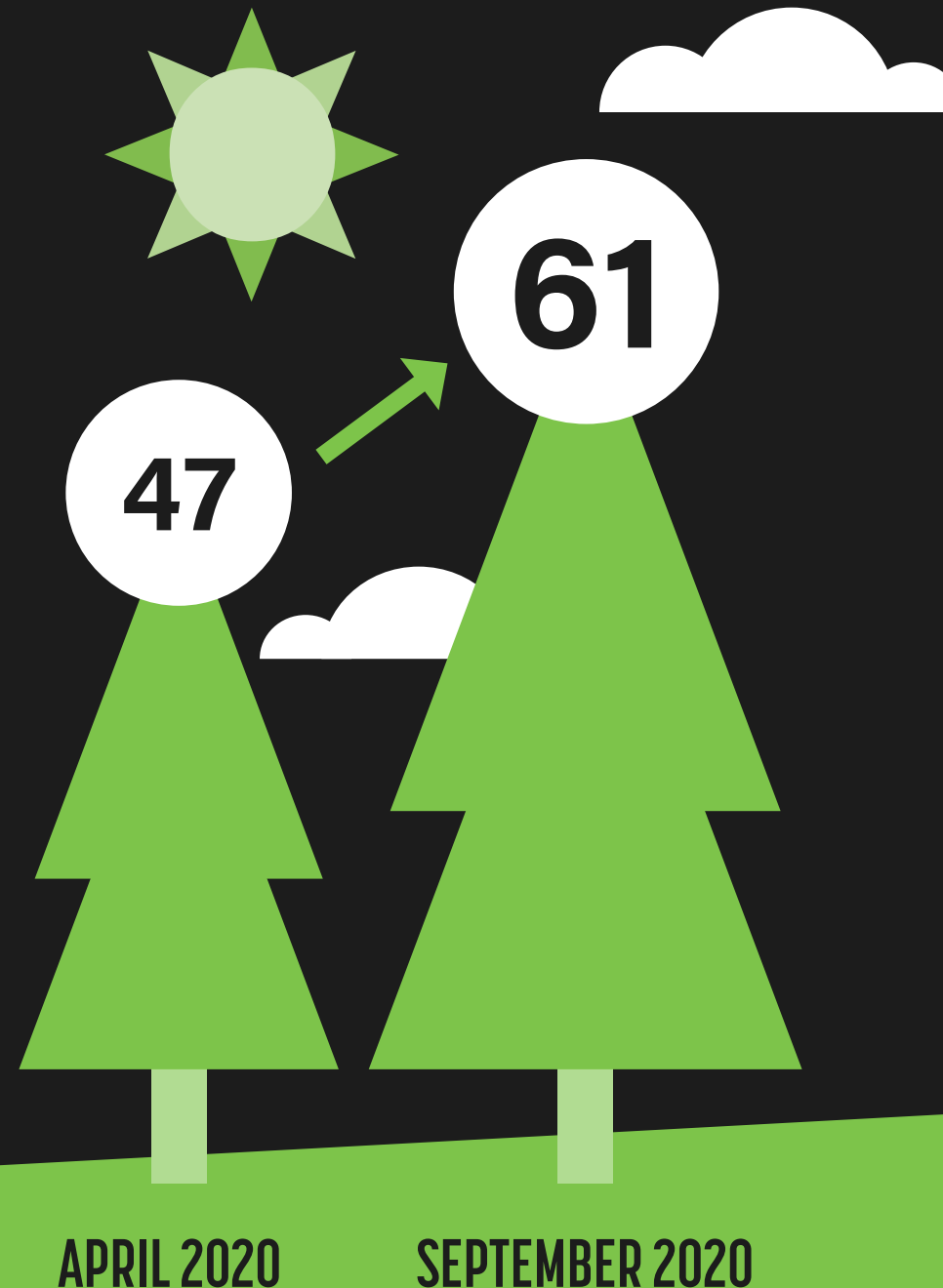
**COMPLETE THE SURVEY TO ACCESS THE FULL REPORT**

# CONFIDENCE IS IMPROVING

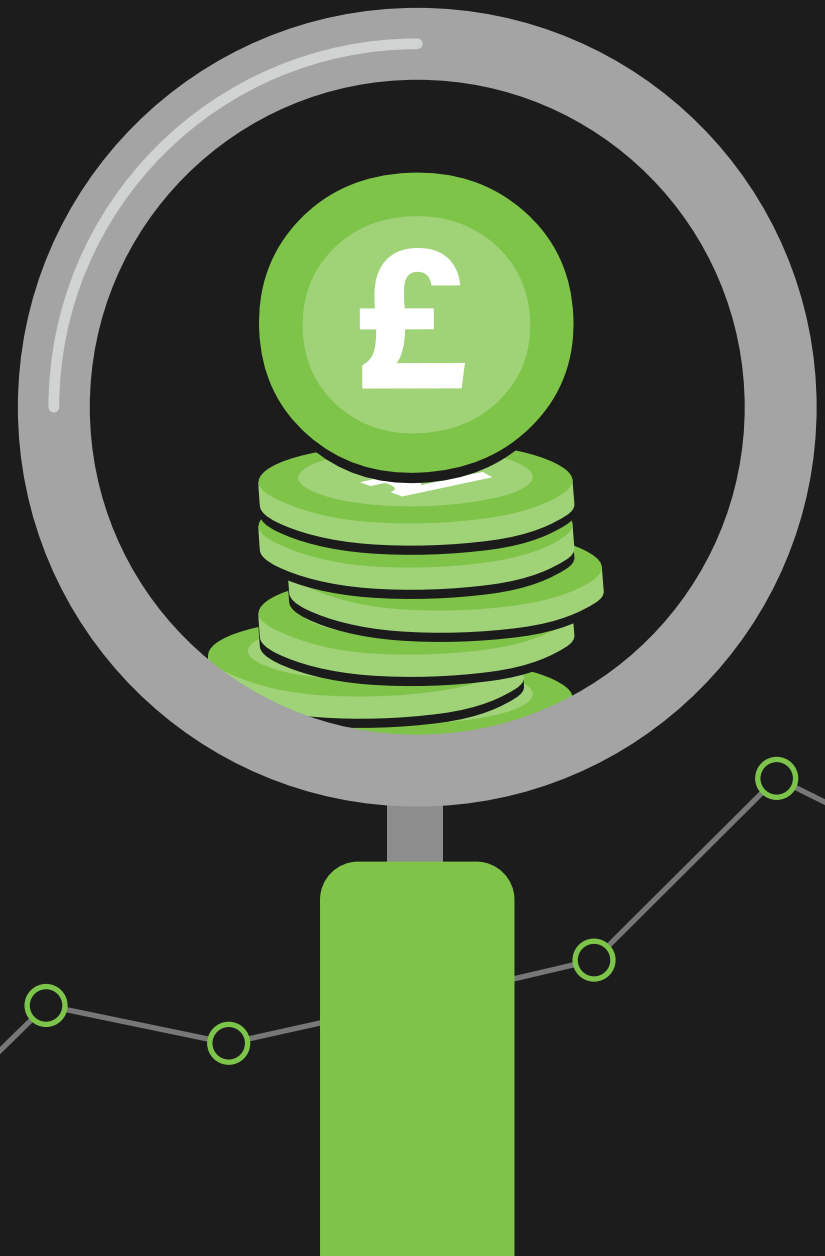
## WE ASKED CONSULTING BUSINESS OWNERS 'HOW DO YOU FEEL ABOUT THE YEAR AHEAD?'

A 50 rating is neutral. Above 50 and you're feeling confident. Below 50 and you're expecting the next 12 months to be worse than the last 12 months.

The average score of 61 represents a significant rise from 47, which was recorded in April. This is still some way short of the historical average of around 70.



# FINANCIAL PERFORMANCE

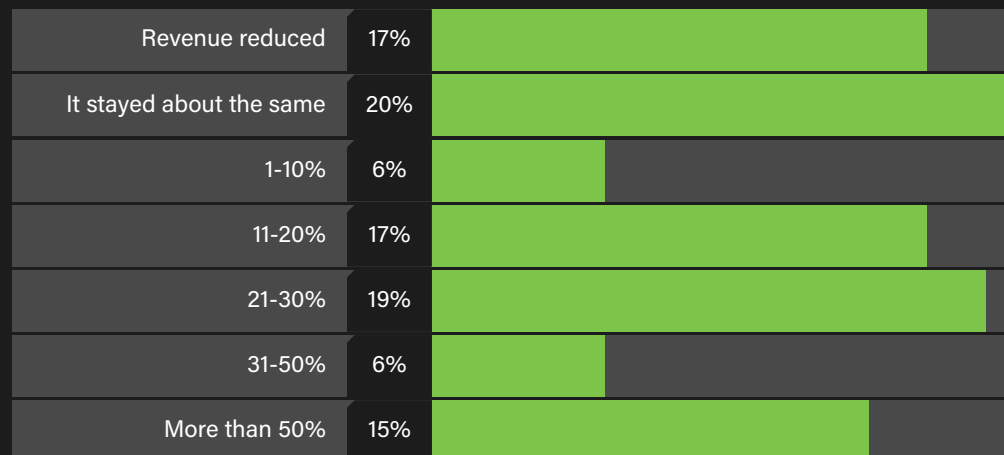


# REVENUE



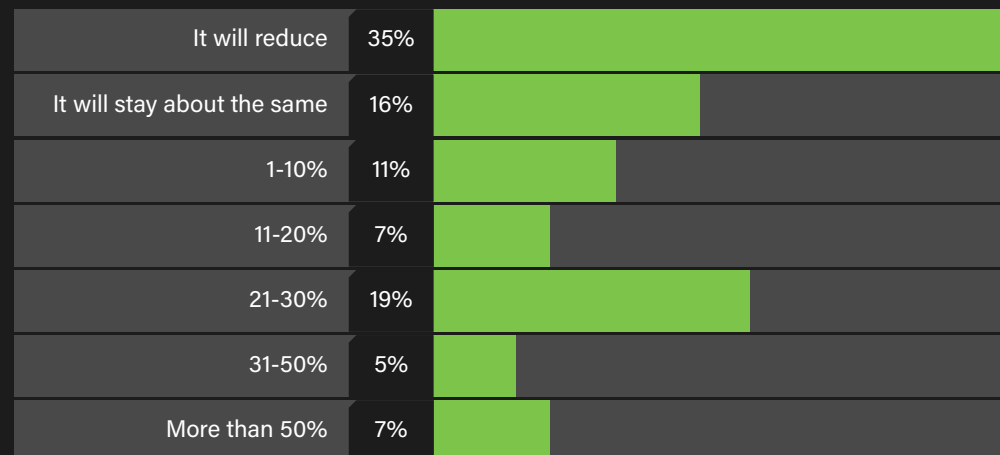
## ACTUAL - LAST 12 MONTHS

Here's how much consulting businesses grew revenue by in the last 12 months



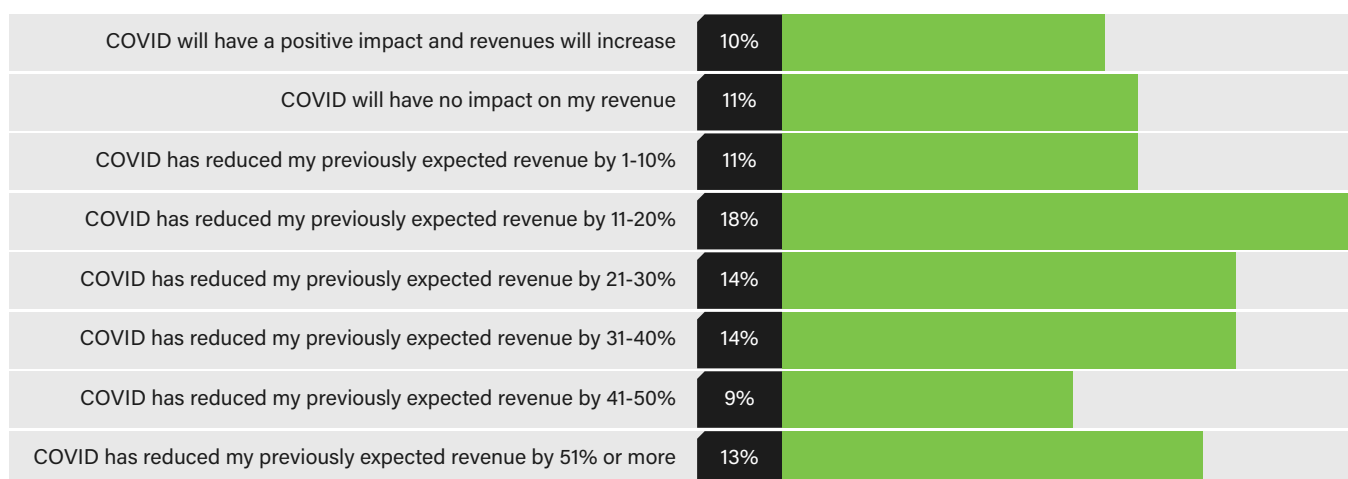
## PREDICTED - NEXT 12 MONTHS

Here's how much consulting businesses expect to grow revenue by in the next 12 months



**DESPITE COVID NEGATIVELY IMPACTING 79% OF CONSULTING BUSINESSES, ALMOST HALF EXPECT REVENUE TO INCREASE IN THE NEXT 12 MONTHS**

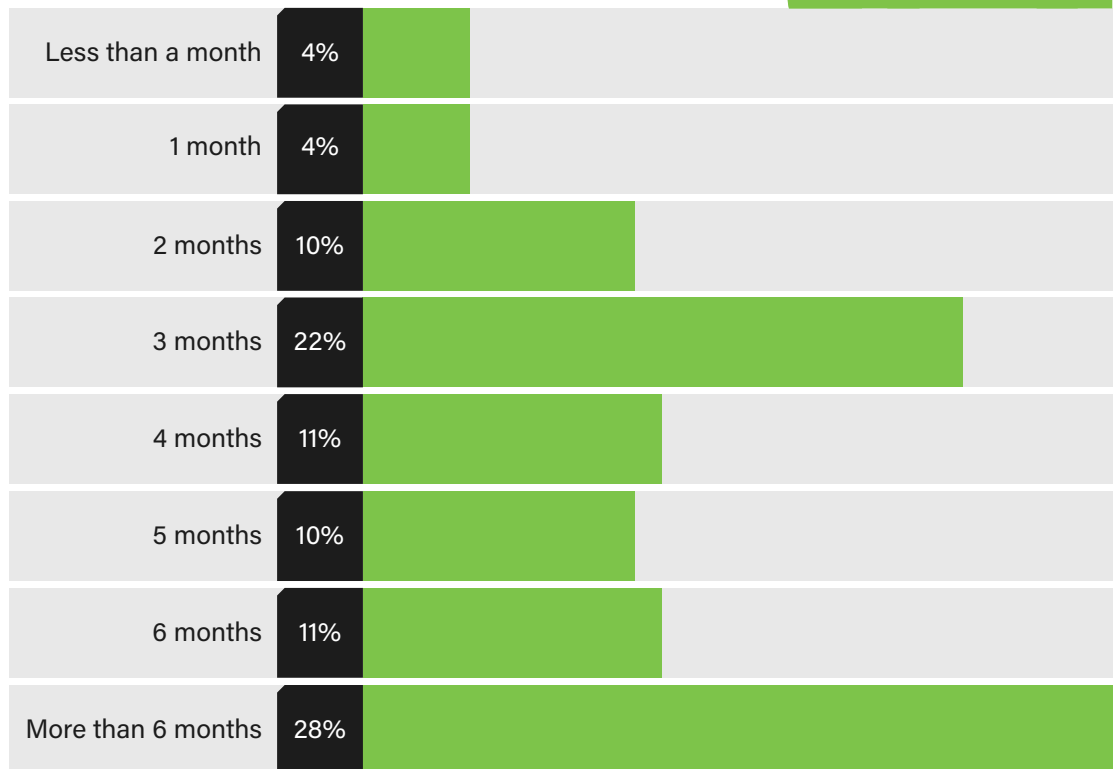
Here's the impact COVID has had on these forecasts



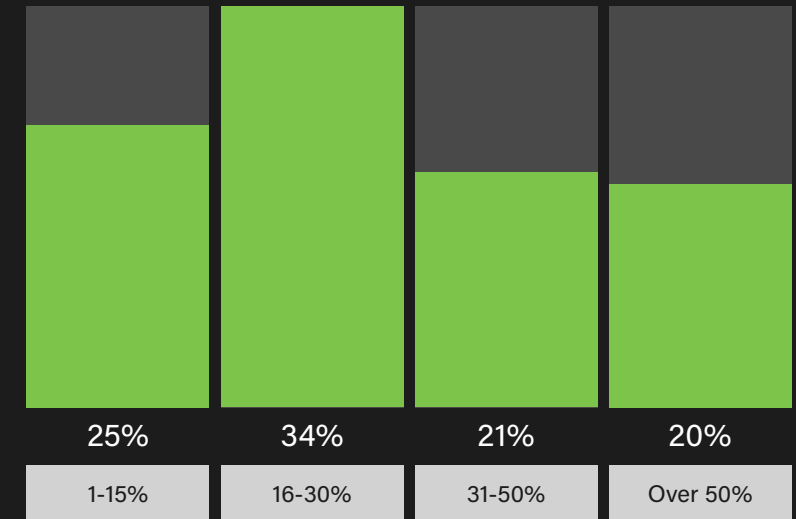
# MANAGING RISK



The number of months of total business cost that consultancies have in the bank (including reasonable partner remuneration)



## THE PERCENTAGE OF REVENUE THAT YOUR LARGEST CLIENT REPRESENTS



### ARE YOU IN THE 15% CLUB?

A big part of achieving sustainable growth in your consulting business is ensuring no single client represents more than 15% of your annual revenue. Just 25% are in this bracket.

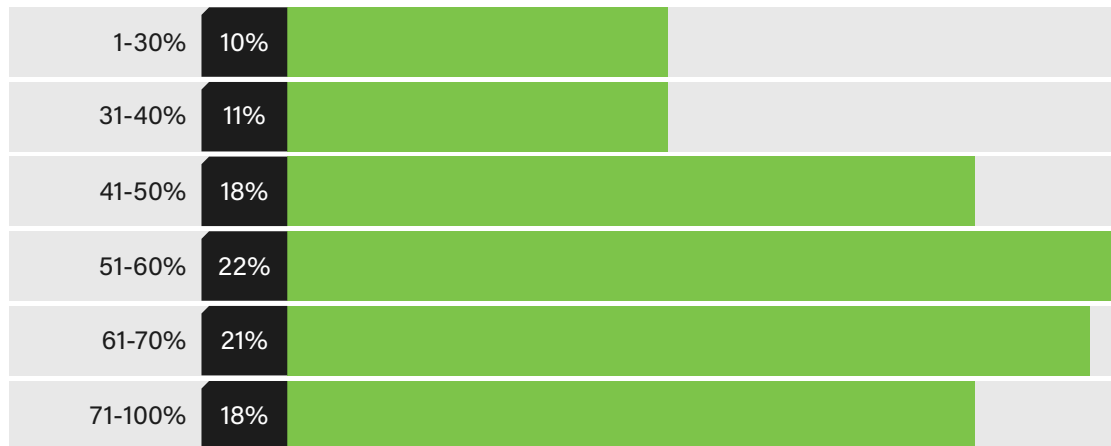


# GROSS MARGIN %

Your gross margin % is a critical KPI for a growing consulting business. It is calculated as follows:



## GROSS MARGIN % FOR CONSULTING BUSINESSES



THE AVERAGE  
GROSS MARGIN  
% IS

55%

Aim for a gross margin % of between 50% - 70%. Operating below this range means you're missing opportunities to increase profitability and sustainability.

## START YOUR JOURNEY TO INCREASED PROFIT

Become a member of The Consultancy Growth Network and, amongst many other insights, get access to top tips on how to improve your gross margin over time. If you don't currently have a strategy in your business to deliver against this objective, you are missing a trick.



BOOK A CALL WITH GEORGE

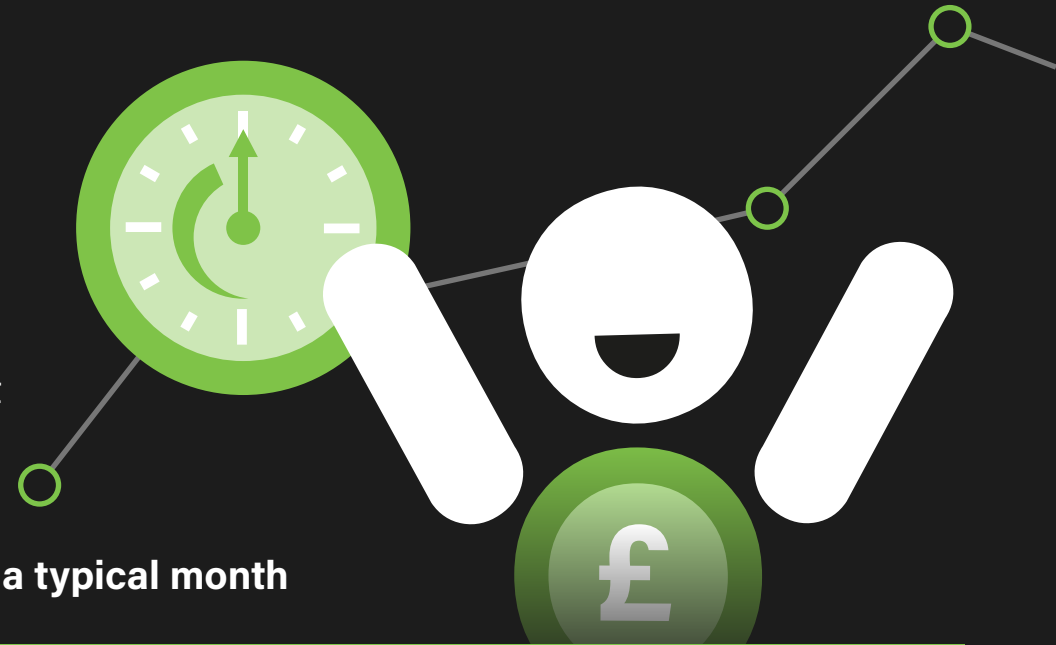


# HOW CONSULTANCY OWNERS SPEND THEIR TIME

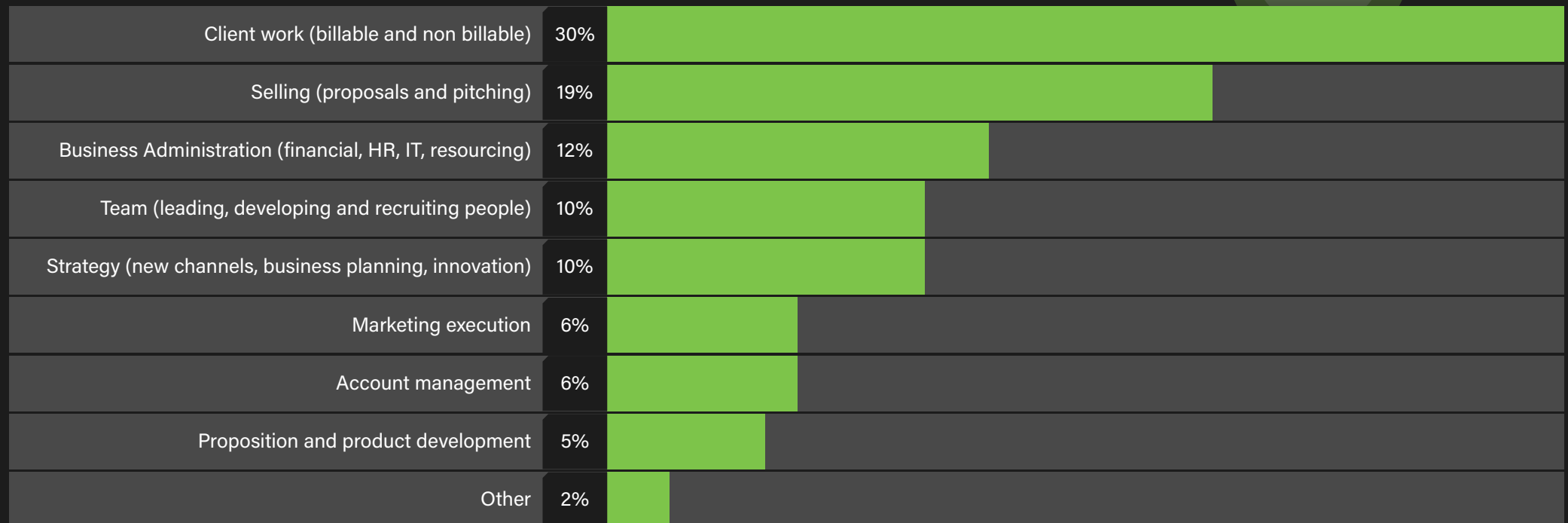


# TIME

Time is arguably our most precious resource. How we spend it will determine our success. We wanted to find out how consulting business owners spend their time, and whether that matches what they'd like to be doing with it.

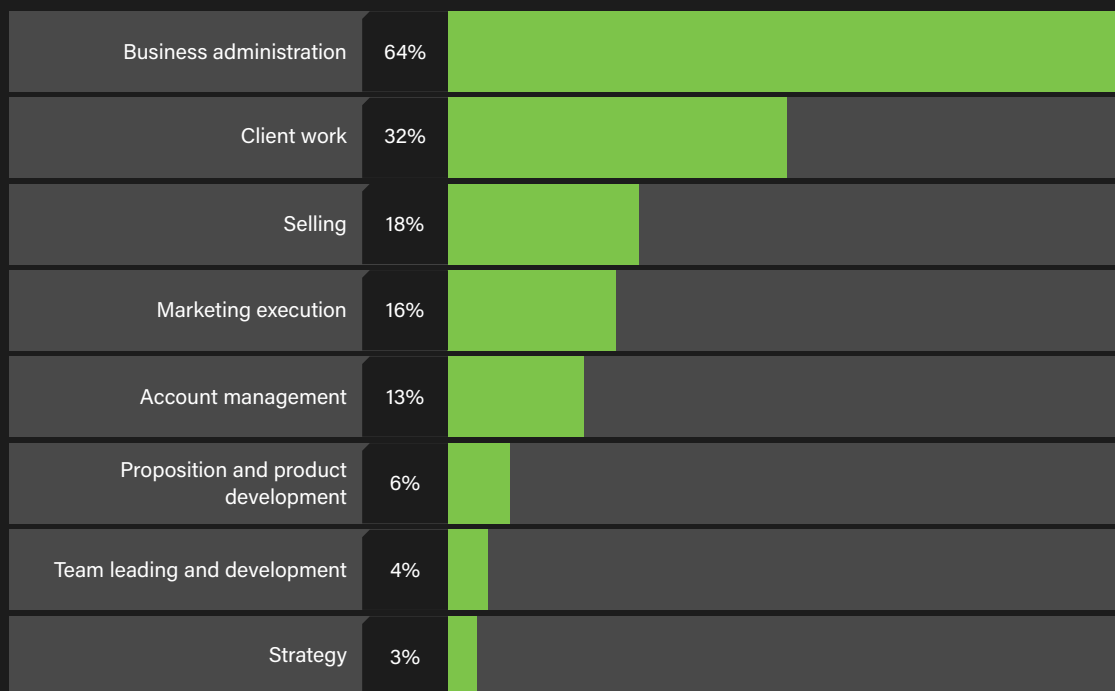


## Here's how consulting business owners spend their time in a typical month





## WHAT WOULD YOU LIKE TO DO LESS OF?



## NEVER WORRY ABOUT YOUR FINANCES AGAIN

If you want to spend less time doing business administration, a quick win is to outsource your finance function to the team at The Wow Company. Wow works with growing consulting businesses, completely removing the hassle of managing their finances for them.

Find out how we can reduce the time you spend on your finances.



**SPEAK TO WOW**



# JOIN IN. SCALE UP

Whatever your motivations for setting up your business, it's tough growing a sustainable consultancy. In 'normal' times, less than 5% of consulting business owners ever achieve a truly sustainable business. Now, with the pandemic disrupting so many sectors, the chances of success are even lower.

**Build a thriving consultancy by being part of an international community for consulting business owners.**

[The Consultancy Growth Network](#) will accelerate your journey with a team of strategic advisers, collaborative peers and specialist experts, all with experience that is highly relevant to you. We cover every aspect of the support you need to avoid the pitfalls, forge new partnerships and significantly increase your probability of success.

To help you grow, we have compiled a list of the most effective strategies for growing those all-important existing accounts across sales, marketing, operations and more.

**THE  
CONSULTANCY  
GROWTH  
NETWORK**

**40 WAYS  
TO GROW YOUR  
EXISTING ACCOUNTS**

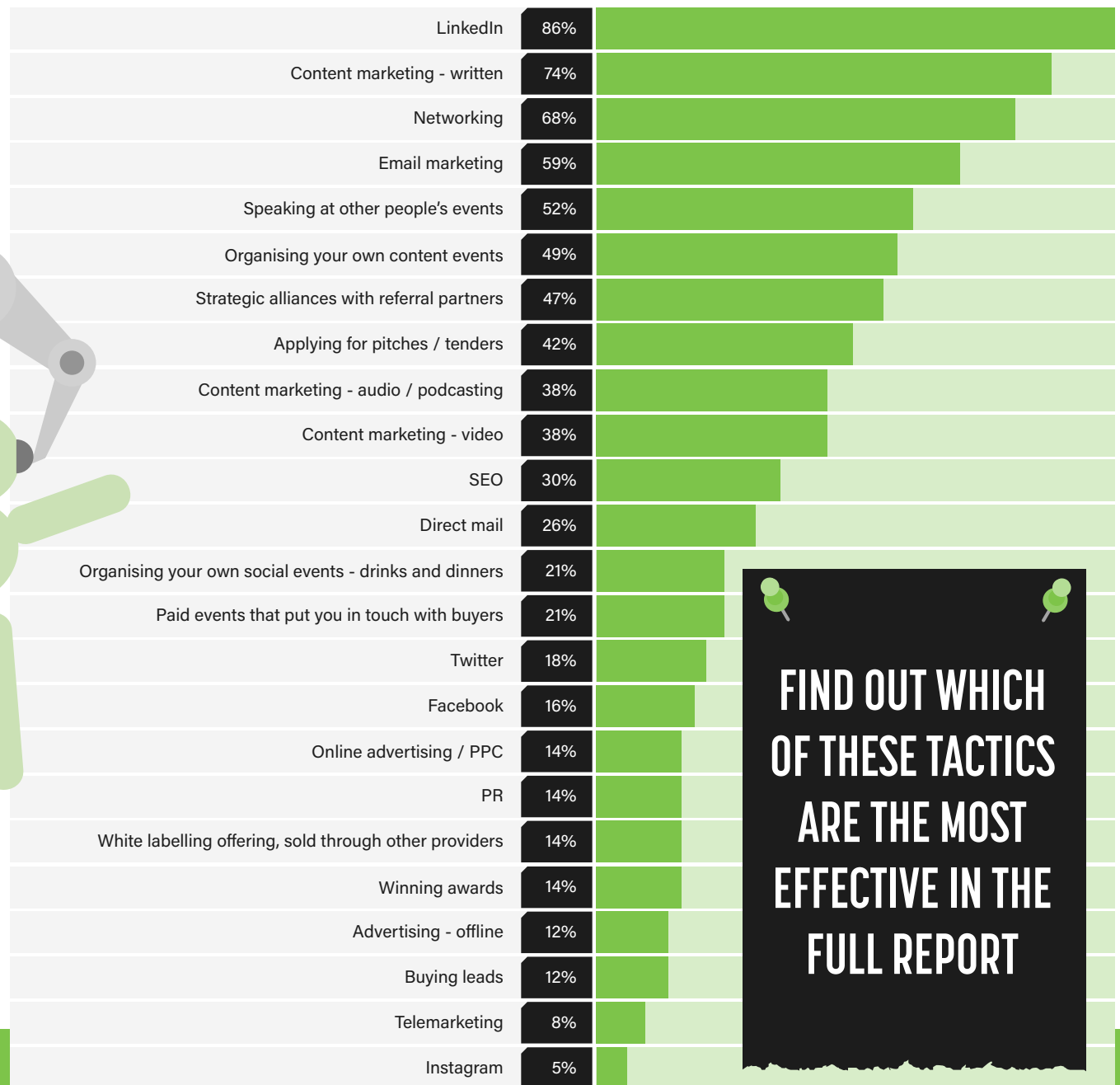
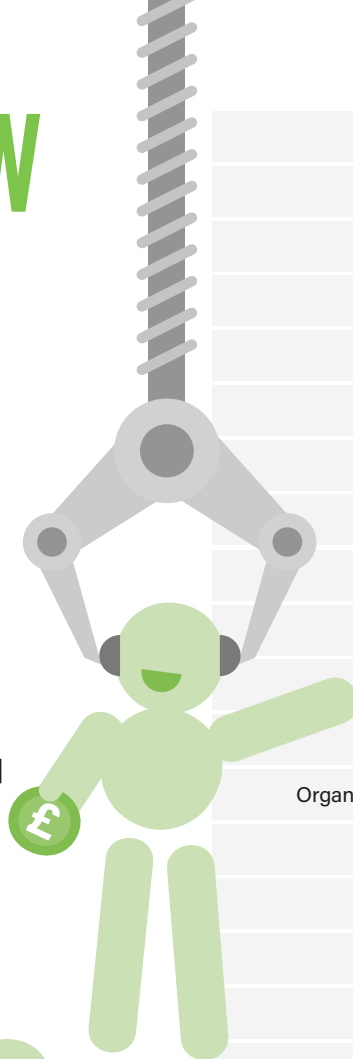
**START NOW**

# NEW BUSINESS



# WINNING NEW BUSINESS - WHAT HAVE YOU TRIED?

OTHER THAN REFERRALS,  
WHAT HAVE YOU TRIED IN  
THE PAST 12 MONTHS TO  
PICK UP NEW CLIENTS?



**FIND OUT WHICH  
OF THESE TACTICS  
ARE THE MOST  
EFFECTIVE IN THE  
FULL REPORT**

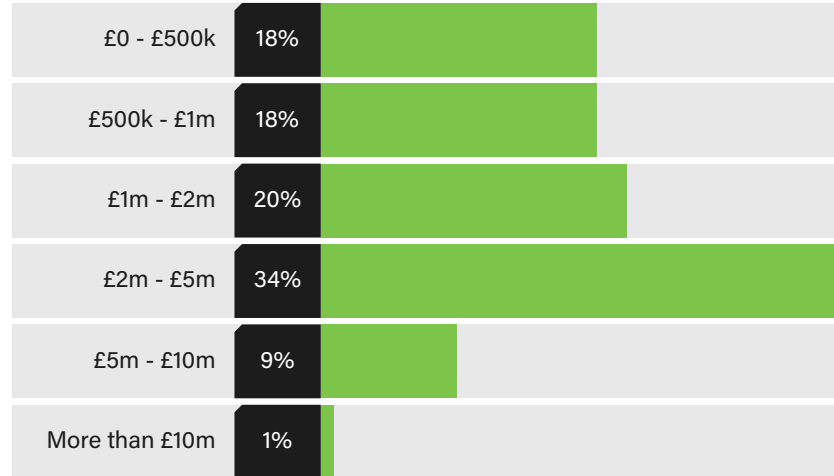
# WHO COMPLETED THE SURVEY



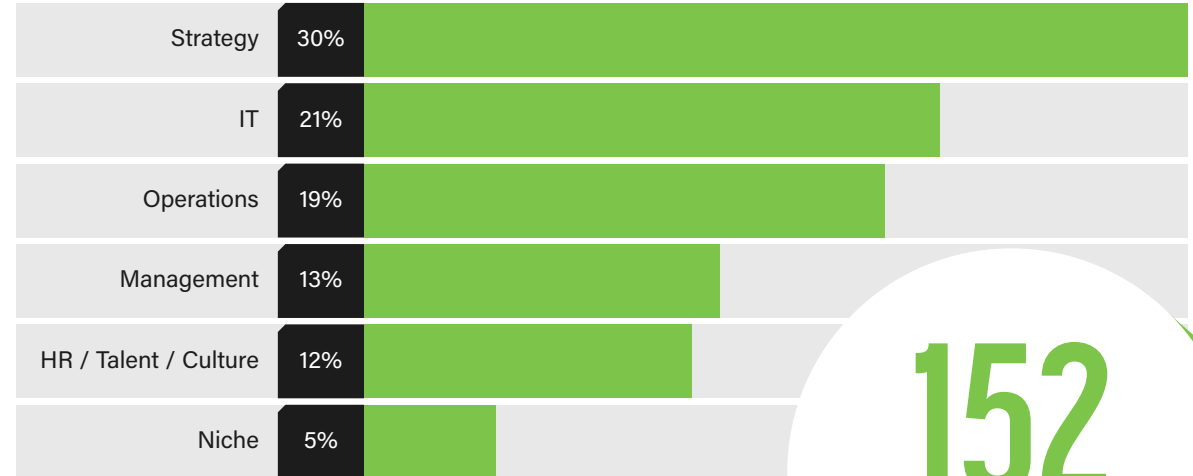


# WHO COMPLETED THE SURVEY

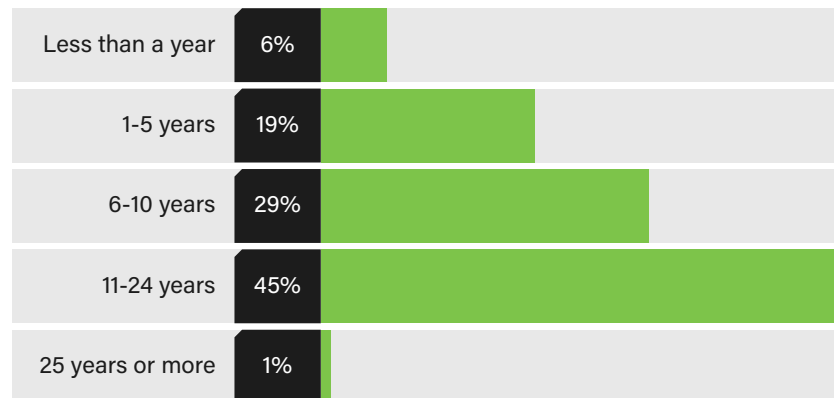
## REVENUE IN THE LAST 12 MONTHS



## TYPE OF CONSULTING BUSINESS



## HOW LONG THEY'VE BEEN IN BUSINESS



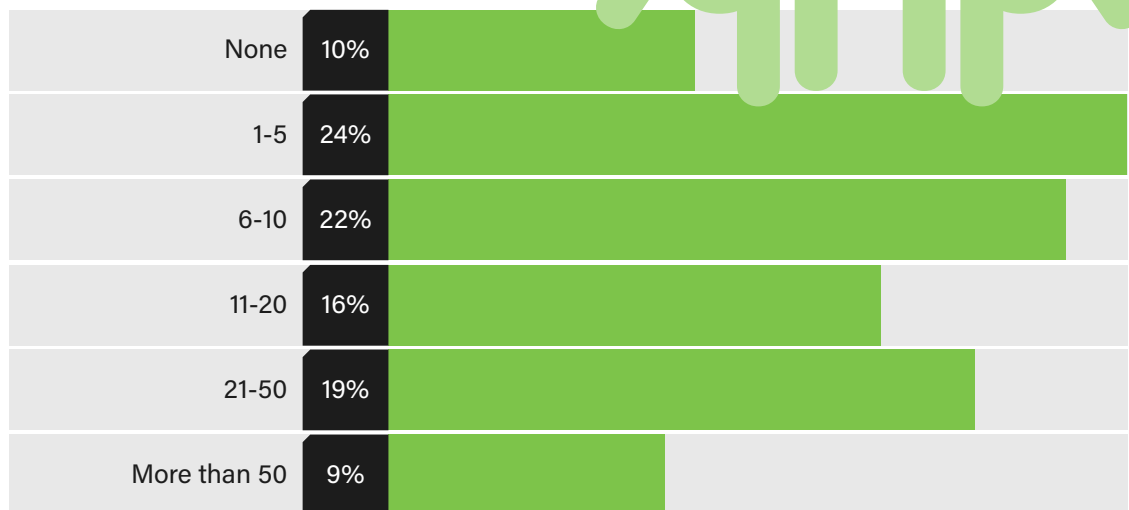
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CONSULTANCIES  
TOOK PART

90% OF FOUNDERS  
STILL OWN AND RUN  
THEIR CONSULTING BUSINESS

# PEOPLE

## EMPLOYEES

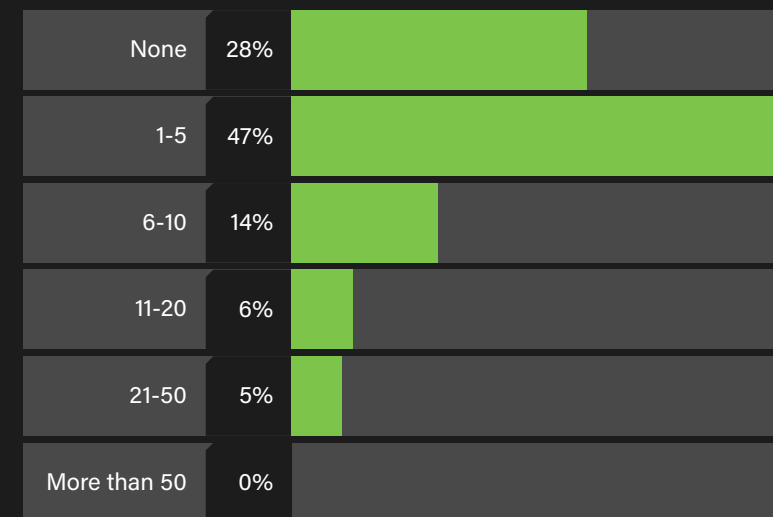


**17%** PERCENTAGE OF STAFF THAT LEFT THE BUSINESS IN THE PAST 12 MONTHS

These staff were replaced by new hires. In fact, employment amongst consulting businesses has increased in the past 12 months.

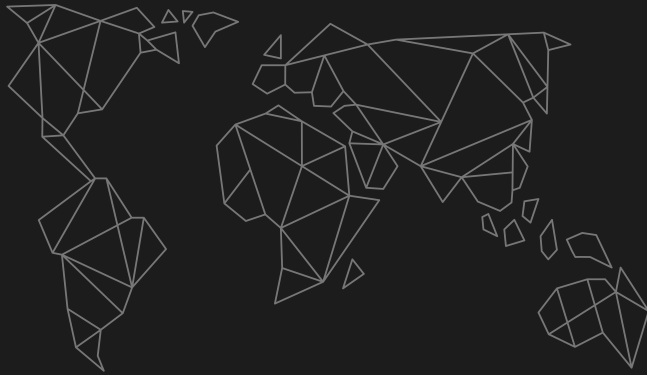


## AVERAGE NUMBER OF ASSOCIATES (FULL-TIME EQUIVALENT) ENGAGED IN THE LAST 12 MONTHS

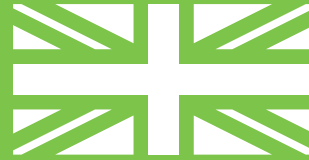


In consulting businesses, on average, employees outnumber associates by a ratio of 4-to-1.

# COUNTRIES WORKED IN



UK  
85%



USA  
42%



FRANCE	19%	SWITZERLAND	7%
GERMANY	17%	CANADA	7%
AUSTRALIA	13%	UAE	6%
SPAIN	11%	SOUTH AFRICA	4%
IRELAND	11%	CHINA	4%
NETHERLANDS	10%	BELGIUM	4%
ITALY	10%	NORWAY	4%

# GET ACCESS TO THE FULL REPORT

This is an abridged report. The full version is available to those that complete the survey and to members of The Consultancy Growth Network. Here's what you get in the full report:



Day rates, salaries and utilisation rates for every role



How to build value in your consulting business



Where clients come from and how to increase referrals



Sales conversion rates



Sales strategies ranked by effectiveness



Percentage of revenue spent on sales and marketing



What premium levels of profit look like



What consulting business owners earn

**COMPLETE THE SURVEY**

**BECOME A MEMBER**

# WOW



## WE LOVE WORKING WITH CONSULTANCIES

The Wow Company is an accountancy practice that specialises in working with consulting and creative businesses. We love providing consultancy owners with insights and best practices, so they can make better decisions.

- Helping you grow profitably and sustainably - we believe this should be at the heart of growing a business
- Giving you meaningful information at your fingertips so you can make informed business decisions with confidence
- Removing the hassle of staying on top of your finances, so you can focus on what you love doing

## HERE'S WHAT OTHER AGENCY OWNERS SAY ABOUT US



AL CATTO  
BEYOND

"The team at Wow made the transition from our previous accountants painless. They worked closely with us to both gain a deep understanding of our business, and also the individual motivations of our directors. Every time we have needed advice or a new service, Wow has been able to rise to the challenge quickly and efficiently. Wow has definitely given us greater control of our financial metrics, but ultimately the greatest benefit is that they have given us time back, enabling us to focus on growing the business"

## WANT TO GROW YOUR CONSULTANCY PROFITABLY AND SUSTAINABLY?

Running a consulting business is fun, but it can also be tough. Whatever your journey throws at you, we'll be with you every step of the way. We'll make your life easier and offer great advice as you grow.



BOOK A CALL WITH RORY

 @THEWOWCOMPANY

 @THEWOWCOMPANY

# GET IN TOUCH



[CONSULTANCYGROWTHNETWORK.COM](http://CONSULTANCYGROWTHNETWORK.COM)

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