



## STATE OF ART OF THE MANAGEMENT CONSULTING IN ITALY 2017-2018

*APCO International Conference*

*Milan October 18° 2018*



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**I. Foreword**

**II. Trend & Market analysis**

**III. Next challenges**



The Annual report is prepared by Assoconsult **in partnership with Tor Vergata University in Rome** with questionnaires, focus group and individual managerial interviews to key Partner & HR department

	WHAT'S IN	WHAT'S OUT
PRACTICES	Strategy	SW development
	Corporate finance	Outsourcing
	Finance & controlling	Public relation
	Risk management e compliance	Comunication
	HR and organization design	Legal and tax advisory
	Change management	
	Sales & Marketing	
	Operations	
	ICT consulting	
ORGANIZATION	WHAT'S IN	WHAT'S OUT
	Consulting companies (employers)	Software/ hardware vendor
		Association of individuals
	Individuals	



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The market size of Management Consulting in Italy is around **4,1 B euro**, highly fragmented, with some relevant key players that managed more than 50% of the overall business

Company size in Revenues (M euro)	Number of company	Overall turnover (M euro)	Employees
Large (50+)	35	2.198	12.734
Medium (10-49)	450	522	4.217
Small (3-9)	2.565	587	7.202
Micro (<3)	18.825	824	11.761
<b>Grand Total Italy</b>	<b>21.875</b>	<b>4.131</b>	<b>35.913</b>

The Management Consulting Industry weight 0,24 % of Italian GDP

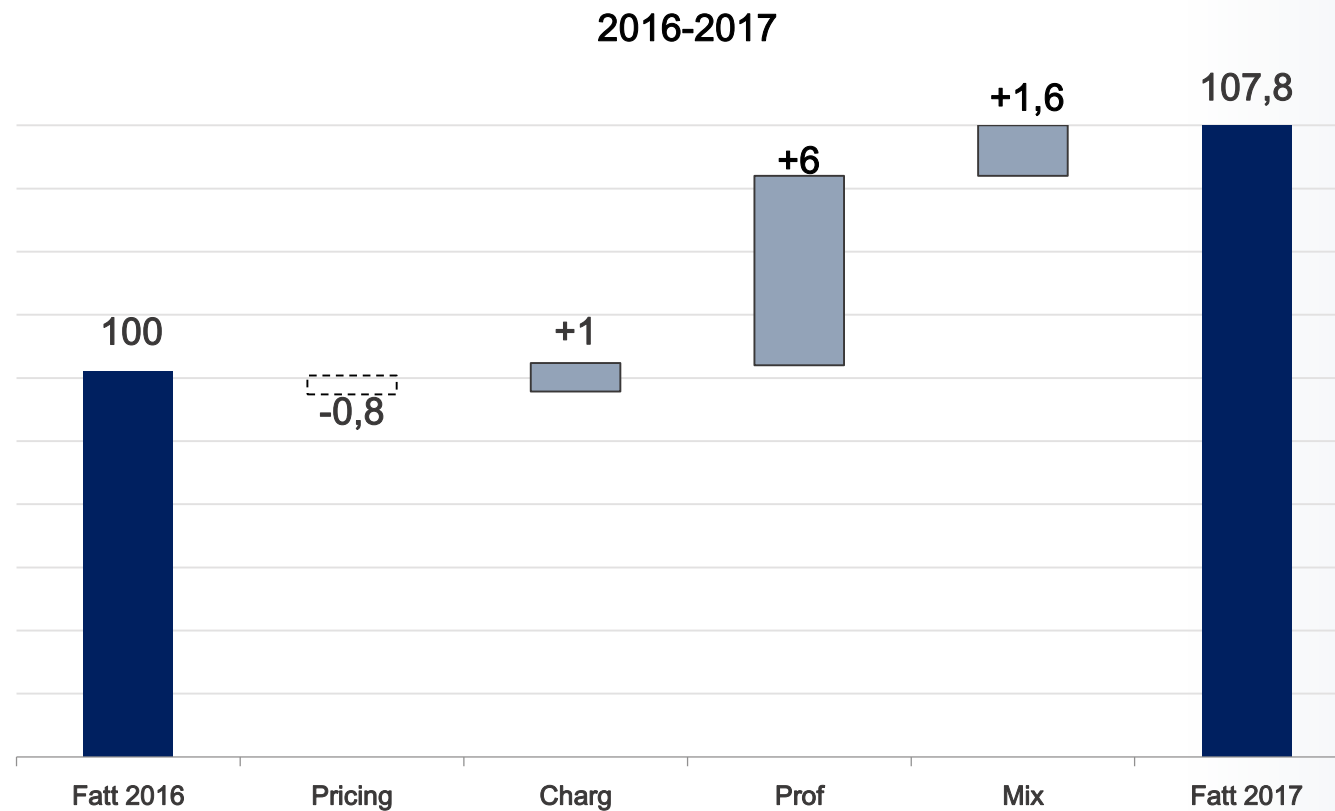
[It was 0,20% in 2013]

# Market Growth Rate



In 2017 the market increase **+7,8% YoY**, driven by higher ftes, higher chargables days that compensate a consolidate trend of price reduction

Key role was taken by Big Management Consulting firms with an increase of their services portfolio mix

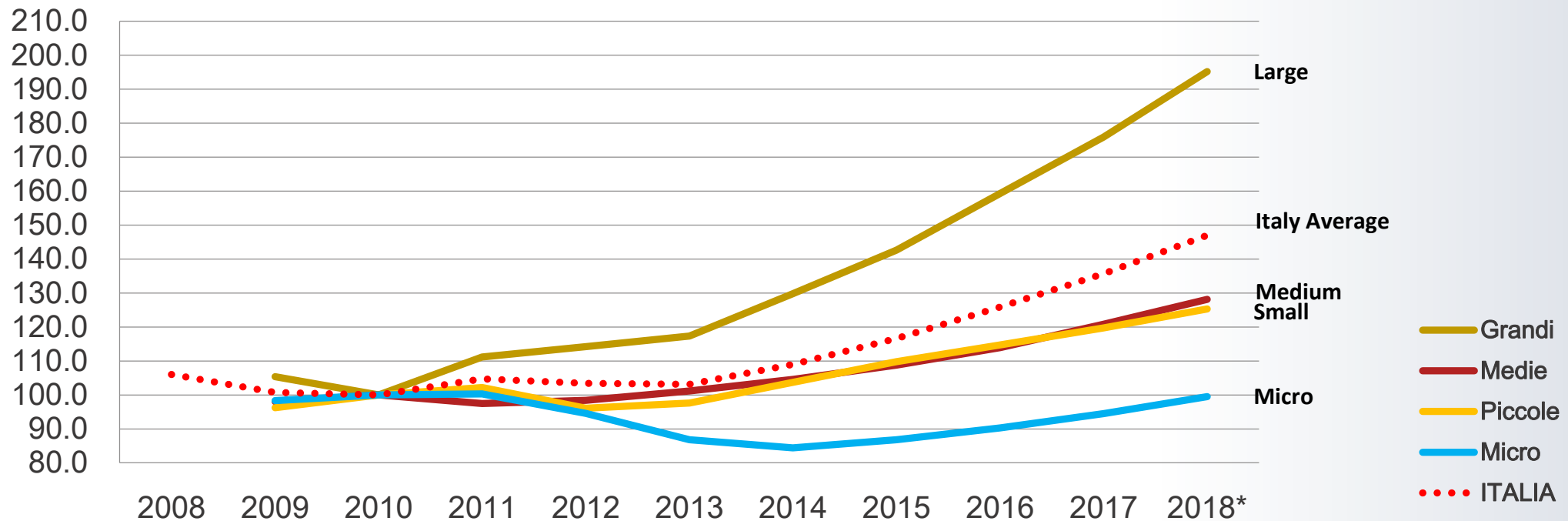


# Revenues trend 2010 - 2018 per company size



Starting from 2010 Italian Management Consulting market is growing at yearly CAGR of 4,6%, with Large compaies that grew up at 9,1% rate.

REVENUS TREND (2010=100)



# Employment progression - professionals only 2016/2018



In 2017 employment rate grew up of 6%

For 2018 it has been foressen a growth of 7,3% versus prior year

Type of companies	Professionals only		
	2016	2017	2018P
Large	11.503	12.734	14.491
Medium	3.993	4.217	4.444
Small	6.859	7.202	7.540
Micro	11.530	11.761	12.066
<b>Total</b>	<b>33.885</b>	<b>35.913</b>	<b>38.542</b>

In 2017  
Italian Management Consulting  
companies hired in Total 4.600  
professionals of wich  
2.500 new graduate

Average Turnover was 11,5%,  
with relevant difference among  
large and small companies



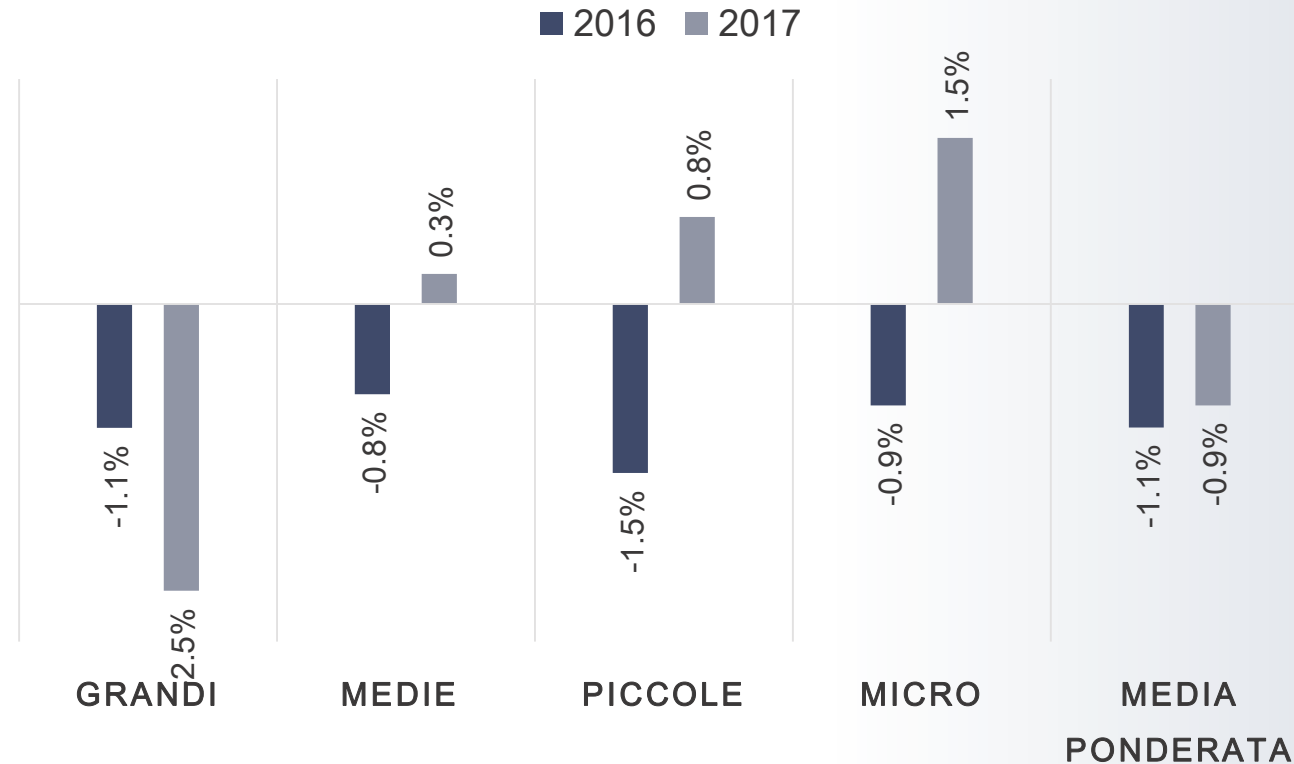
# Pricing trend



Average price is 788 euro/giorno, declining -0,9% YOY.  
 Contraction is mainly driven by large company YOY.

Daily rate(in €)		
	2016	2017
Large	946	922
Medium	749	751
Small	646	651
Micro	542	550
<b>Totale</b>	<b>794</b>	<b>788</b>

## Pricing change



# Growth rate and revenues split per Practices



IT & Operation consulting is growing faster than Strategy consulting

Revenues split per Practices

Practices	Value (in M €)	Trend 2017-2016
IT	668,9	+29,3%
Strategy	573,9	-8,4%
Operations	461,6	+24,1%
Finance	436,2	+16,0%
Risk & Compliance	433,4	+15,6%
RU & Org	230,1	+14,8%
Marketing	220,2	-13,2%
Change Mgmt	156,7	-21,3%
Other	126,9	+0,3%
<b>Total Italy</b>	<b>3.307,9</b>	<b>+8,6%</b>

# Growth rate and revenues split per Industries



Revenues to Industrial Sector are growing at higher rate pull up by “Industry 4.0” related projects

## Revenues split per Industries

Industries	Value (in M €)	Trend 2017-2016
Industrial Services	1.172,6	+11,0%
Financial Services	983,6	+7,8%
Telecom e Media	255,5	-5,3%
Utilities	204,7	+4,8%
Other	361,4	+16,4%
Public Sector	329,0	+9,7%
<b>Total Italy</b>	<b>3.306,8</b>	<b>+8,6%</b>



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## BUSINESS OPPORTUNITIES

- DIGITAL TRANSFORMATION FUTURE OF JOB AND NEW COMPETENCES
- ROBOTICS & AI
- INNOVATION OF BUSINESS OPERATIONS
- CUSTOMER AND EMPLOYEE CENTRICITY
- CHANGE MANAGEMENT AND BUSINESS AGILITY

## ITALIAN MANAGEMENT CONSULTING AREA OF IMPROVEMENT

- BUSINESS SCALE (few and too small mid size companies versus EU average)
- WEIGHT ON GDP OF ITALIAN CONSULTING TURNOVER VERSUS EU
- PUBLIC SECTOR DEMAND
- NETWORKING AND INDUSTRY AWARENESS
- SPECIALIZATION OF Small and Micro COMPANIES



## THE BUSINESS LANDSCAPE & KEY OPPORTUNITIES

