

Report of Proactive Membership Committee Initiative

Submitted To

ICMCI Membersip Committee

Date: 30 August 2019

1. Overview

The “Proactive Membership Task Force” was formed on the recommendation of the Membership Committee, following approval of the proposal at the October 2018 Annual General Meeting. The Task force was constituted in March 2019 with a total of 8 members. The number of members was subsequently reduced to 6.

The initiative was formulated to ensure growth of ICMCI in countries where Management Consulting is mature and countries considered strategic for our growth to support ICMCI’s vision *“To be a leader in the development of management consulting as a global profession that drives social and economic success”* and mission *“To build the profile, recognition and influence of the profession and its practitioners globally”*

Rather than being focused on the natural, organic growth of IMCs in various countries, the Membership Committee hypothesis was that there are certain countries that may carry additional, influential power in the business world, the management consulting industry, or in attracting other countries to our professional movement. Thus by strategically and proactively identifying where we dedicate our scarce resources, we hope for a more focused, perhaps faster growth of ICMCI’s world-wide coverage.

2. Purpose And Objectives

The purpose of this initiative is to proactively focus the Membership Committee on global growth opportunities, instead of reacting to enquiries by prospective members.

The specific objectives are to;

- provide the CMC Global Board with structured information regarding the most notorious white spots on the world map and
- serve as funnel manager for growth efforts

3. Selection of Target Countries

The proposal for establishing the Task Force outlined the criteria for selection of the target countries. These are summarized in Table 1 below:

Table 1: Criteria for Selection of Target Countries

	Criteria	Description
1	More developed economies	Assumed to correlate to the level of development of consulting industry <ul style="list-style-type: none"> • OECD Countries • EEA Members
2	Larger economies	Assumed to correlate to the sustainability of a national professional institute
3	Traditionally good business ties in groups of countries (eg., Spanish-speaking countries)	A good connection to one member country of a group creates an efficient entry point to other members <ul style="list-style-type: none"> • Spanish Speaking (SS) • French Speaking (FS)
4	Ease of entry	An active and successful ICMCI member in a country with close ties can be an easy entry point <ul style="list-style-type: none"> • FEACO • Contacts • NGOs

Based on the above criteria, the target countries shown in Table 2 below were proposed:

Table 2: Target Countries Proposed

Target Countries	Criteria #1	Criteria #2	Criteria #3	Criteria #4
Argentina	X	X	SS	----
Belgium	X	X	FS	----
Chile	X	X	SS	----
France	X	X	FS	FEACO Consult'in France
Greece	X	X		Contact – EBRD and the Institute
Indonesia	X	X		-----
Malaysia	X	X		•Association of Certified Business Consultants Malaysia •Direct Contact
Mexico	X	X	SS	----
Poland	X	X		----
Portugal	X	X		----
Spain	X	X	SS	----

4. Activities Undertaken by Taskforce

The Taskforce used a combination of approaches in the efforts to obtain the required information and to determine which of the target countries offered the best prospects. These included:

- Direct contact with individuals and institutions in the target countries who were considered influential in or knowledgeable of management consulting, or who could potentially provide information on other local entities that could assist with this initiative.
- Contact with some global industry leaders (e.g. “Big 4” firms) to enquire about data they may have on the sector in the target countries.
- Drafting of a standard letter of enquiry to be used by Taskforce members to solicit information from local academic institutions regarding available data on management consulting in their respective countries
- Desk research to source background information on current state of the management consulting market in the target countries and identify potential contacts. This included extensive searches of public domain sources on the web as well as use of restricted access journal databases by members who had such access.
- Contact with publishers of leading academic journals on management consultancy in an attempt to determine the numbers of subscribers in the target countries. These journals included Administrative Science Quarterly, Journal of Applied Behavioral Sciences, Organization Studies, Journal of Change Management and The Leadership Quarterly

Engagement with academics (including ICMCI Academic Fellows) and commissioning of computing of the Consulting Readiness Index (CRI) for the target countries.

5. Challenges Encountered

The Task Force encountered a number of challenges in undertaking the task, which affected the extent to which it was able to achieve the stated objectives. These included:

- Unavailability of Task Force members to undertake specified tasks in agreed timeframes due to their other personal or professional commitments.
- Frustration of taskforce members due to difficulties in obtaining required information, lack or responses from contacts, etc.
- Difficulty in identifying useful contacts in some of the target countries.
- Non-response, late response or inadequate response from contacts identified as potential information providers. Also, the global firms contacted declined to provide any information beyond what they had already put into the public domain.

- Privacy or confidentially restrictions that at times prevented us from getting information on potential contacts or intellectual property restrictions that prevented access to reports published by certain providers.
- Lack of distinction between “management consulting” and consulting in general in much of the published data indentified.
- While access to some specialized and possibly more relevant data was available at a cost, the Task Force had no budget for such expenses.

Additionally, as the Task Force progressed its efforts, it became increasing clear that success of the initiative at the country level would depend on whether a local “champion” could be identified. This would be individual or group who was willing and able to determine whether the local conditions favoured establishment of an IMC and mobilize the interested persons.

6. Findings and Recommendations

6.1 Market Characteristics

Table 3 below shows key indicators of the potential opportunitis for management consulting organizations in the target countries. The “market size” column gives an indication of the value of the management consulting market in each country. Note the following with regard to the Market Size figures shown in Table 3:

- The data is based on publicly available sources accessible via the web
- Data on market size could not be located for some target countries
- Links or references to the sources of data are provided in the footnotes. However, the taskforce is not in a postion to determine the robustness of the methodologies used or the reliability of the results

Given the above, we suggest that the market size figures be considered only as a general indication of the volume of management consulting activity in each of the target countries.

Table 3: Key MC Potential Indicators For Target Countries

Target Countries	Market Size	CRI Index ¹	FEACO
Argentina	N/A	0,05	N/A
Belgium	€610 million ² (2017)	0,25	Ex-FEACO
Chile	N/A	0,05	N/A
France	€ 4.5 - 5.9 billion ³	0,24	Consult'in France
Greece	€227 million ⁴ (2017)	0,03	SESMA
Indonesia	N/A	0,00	N/A
Malaysia	N/A	0,03	N/A
Mexico	N/A	0,02	N/A
Poland	€560m ⁵	0,10	N/A
Portugal	N/A	0,06	APPC
Spain	€1.2 billion.	0,13	AEC

6.2 Main Conclusions and Recommendations for Future Initiatives

The taskforce concluded that for such initiatives to produce the desired results in assisting ICMCI reach its target of growth in strategic countries in future, the following need to be addressed:

- Finding a suitable “entry point” in each target country. This is a critical requirement as without a local champion gathering interest remotely is a challenge.
- Allocation of funds to enable sourcing or gathering necessary data to support such initiatives.
- Enhancing ICMCI’s relationship with other major players in our market, e.g. FEACO, IFIs, big consultancy firms operating internationally to ensure better collaboration and support from these entities.
- Continuing the collaboration with CMC-GI in order to develop more interest in ICMCI and CMC in non-member countries especially those where there is a challenge to establish a national level institute.
- Ensuring that communication with target countries or institutes that are not members yet is properly channeled and followed up by an official entity of ICMCI. Also important for ICMCI to establish and maintain communication with those who have demonstrated interest.

¹ Calculated for the target countries in May 2019

² Source: <https://www.consultancy.uk/news/13917/benelux-consulting-market-breaches-2-billion-barrier-for-the-first-time>

³ Source: <https://www.consultancy.eu/news/975/france-management-consulting-market-reaches-45-billion-as-growth-peaks>

⁴ Source: FEACO. *Survey of the European Management Consultancy*. December 2018. (Available from <http://www.feaco.org/industry/annualsurvey>)

⁵ <https://www.consultancy.eu/news/1731/eastern-european-consulting-industry-grows-7-market-worth-14-billion>. €560m estimated based on article’s assertion that Poland accounts for approximately 40% of the market

- Leveraging the ISO20700 as an entry tool to the new markets. This will enhance knowledge of standards, create awareness of the profession and its professionals and provide an entry point to promote ICMCI as the voice of the profession.

The specific countries recommended for follow-up action in the short term identified in section 6.3 below.

6.3 Countries to be pursued

After reviewing the available market data indicators, background information obtained, as well as the perspectives of taskforce members, we identified the countries among the target group that appear to be the better prospects to pursue establishment of member IMCs in the short term.

The countries in Table 4 meet the following criteria:

- CRI: above 0.10
- Market size data available: indicates maturity and research
- FEACO Membership

Table 4: Recommended Countries Based on Market Characteristics

Country	Remarks and Recommendations
Belgium	<p>Remarks In addition to meeting the criteria, Belgium is home to the headquarters of the EU which makes it a strategically important country for ICMCI.</p> <p>Recommendation: The board to appoint a liaison to establish contact and pursue establishment of an IMC. OR Establishing a contact as a guide or an ambassador via the CMC-GI.</p>
France	<p>Remarks In addition to meeting the criteria, France is home to the Chairmanship of FEACO - Eric Falque is now chair of FEACO. However, historically there have been issues regarding the official language of ICMCI.</p> <p>Recommendation: Utilize our Members who are on the board of FEACO to introduce our chair, to build chair to chair relationship.</p>
Spain	<p>Remarks Spain is a federation of several autonomous regions. As a result, there are multiple management consulting associations within the country – at least 4.</p> <p>Recommendation: CMC-GI to utilize its current member as an ambassador to create awareness.</p>

The countries in table 5 while not meeting the criteria stated above were considered good prospects for the reasons outlined:

Table 5: Other Recommended Countries

Country	Remarks and Recommendations
Malaysia	<p>Remarks Malaysia is a potentially large market due to the large population and large GDP. A solid contact was established who is interested in forming an IMC.</p> <p>Recommendation: Membership committee to assign a liaison to the country for follow up and support.</p>
Greece	<p>Remarks Greece is recovering and growing in economy and a previous member of ICMCI. We have recently been able to re-establish communication.</p> <p>Recommendation: Membership committee to assign a liaison to the country to re-build the relationship and provide support</p>

While there has been a general presumption that countries with more “mature” consulting markets (which may be indicated by more developed economies and a higher CRI) may offer better prospects for establishing new IMCs, we suggest that ICMCI consider whether some less mature countries may not be better prospects in the short term. These countries may have higher growth rates in the management consulting sector, and offer the potential for ICMCI to have a more direct and tangible impact in those markets, better enabling the organization to achieve its objectives.

Appendix A: Taskforce Members

Member	Country	Role
Reema Nasser	Jordan	Chair - Ex-Officio
Marjo Dubbeldam	Netherlands	Member
Stephen Louis	Caribbean	Member
Cesara Pasini	Italy	Member
Ismail Haznedar	Turkey	Member
Otto Acuna	Costa Rica	Member