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## Not all bad news for outside specialists

By Brooke Masters  
in London

Though demand for consulting services has slowed dramatically overall, some areas are still booming.

Financial services is in such turmoil that many companies in the sector are feeling forced to seek outside help. They want advice on improving risk management, restructuring their remuneration plans and how to reallocate capital in a radically different world, consultants said.

"Some of the problems are so big that clients are throw-

ing money at them. If you are good at what you do, the spend is there," said Penney Frohling, a partner at AT Kearney.

Revenue for Navigant's European financial services consulting arm is so far running ahead of expectations for 2009 fiscal year, and ea Consulting Group, which works mostly with financial services companies, is advertising for 100 new consultants, on top of its 250 existing staff.

Consultants who can help companies through a downturn, either through restructuring or through improving

their performance, are also thriving.

PA Consulting is seeing demand for what Alan Middleton, the chief executive, called "guerrilla business intelligence", teams of consultants who can help companies mine their own information to get better and more timely information about how their business is performing.

Strategic restructuring remains a hot topic, though the goals now often revolve around cost-cutting rather than simply better performance, says Jerry Brown, a senior consultant at Maxxim,

a UK consultancy that specialises in the topic.

"Our six- to nine-month pipeline looks pretty good," Mr Brown said.

Bain & Co, is expanding its work helping private equity to improve performance of portfolio firms and last year launched a "corporate renewal group" that combines restructuring and turnaround services.

"While the downturn threatens the short- and medium-term profit outlook for most companies, it also increases the need for dramatic shifts in strategy, cost efficiency, organisation and

capital structure. This creates short-term pressure on the consulting industry... but over time generates demand for our services as companies confront the urgent need for change," said Steve Ellis, Bain's worldwide managing director.

Public sector projects are also a bright spot, although many consultants expect them to dry up as tax revenues shrink. According to Deloitte, the UK government put out the same number of invitations to tender in December as it had done in the same month in 2007.