

Changing the way we work: An Eden McCallum perspective

June 2022

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Disruption and Eden McCallum today

Benefits of independent consulting

Changing ways of working

When we started in 2000, our approach to consulting – using 100% freelancers for delivery – was revolutionary

London
Business
School

Business
Strategy
Review

Making the firm flexible

How companies operate has been established over two centuries. Is it possible for a firm to break the established rules of organisation? **Eden McCallum** did just that.

“Eden McCallum’s proposition was simple but scary: a consulting firm without any consultants on the payroll. . .”

Professor Julian Birkinshaw
LBS Business Strategy Review

The business model has proven effective over 20 years and 3000+ projects



WHITBREAD



TESCO



TalkTalk

sage



PHILIPS

CVC



Canon

Google



3000+ projects:

- Strategy to transformation
- All sectors

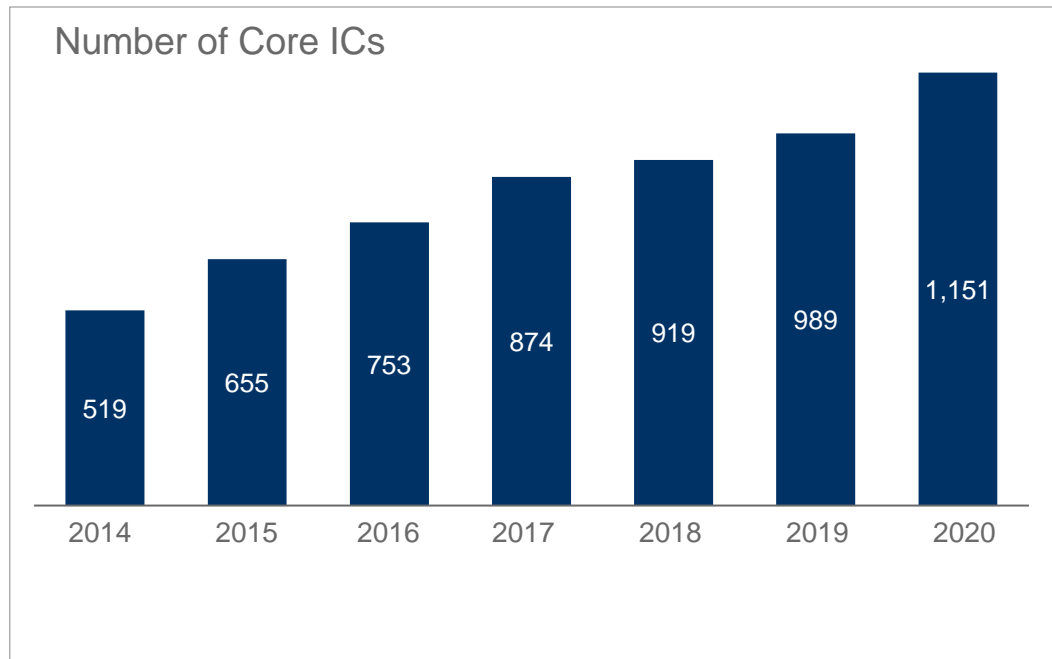
500+ clients:

- >60 of Global Fortune 500
- 1/3 of top PE firms
- 1/3 of FTSE 100

2300+ consultants

Our Talent Pool of Independent Consultants continues to grow, and has many benefits compared to the traditional employment model

INDEPENDENT CONSULTANTS IN CORE TALENT POOL



2300+ consultants

of which 1150+ are core.

Experience spans > 90 countries
across all sectors

Rapidly scalable

Variable / lower cost

No utilisation pressure

Tailored teams

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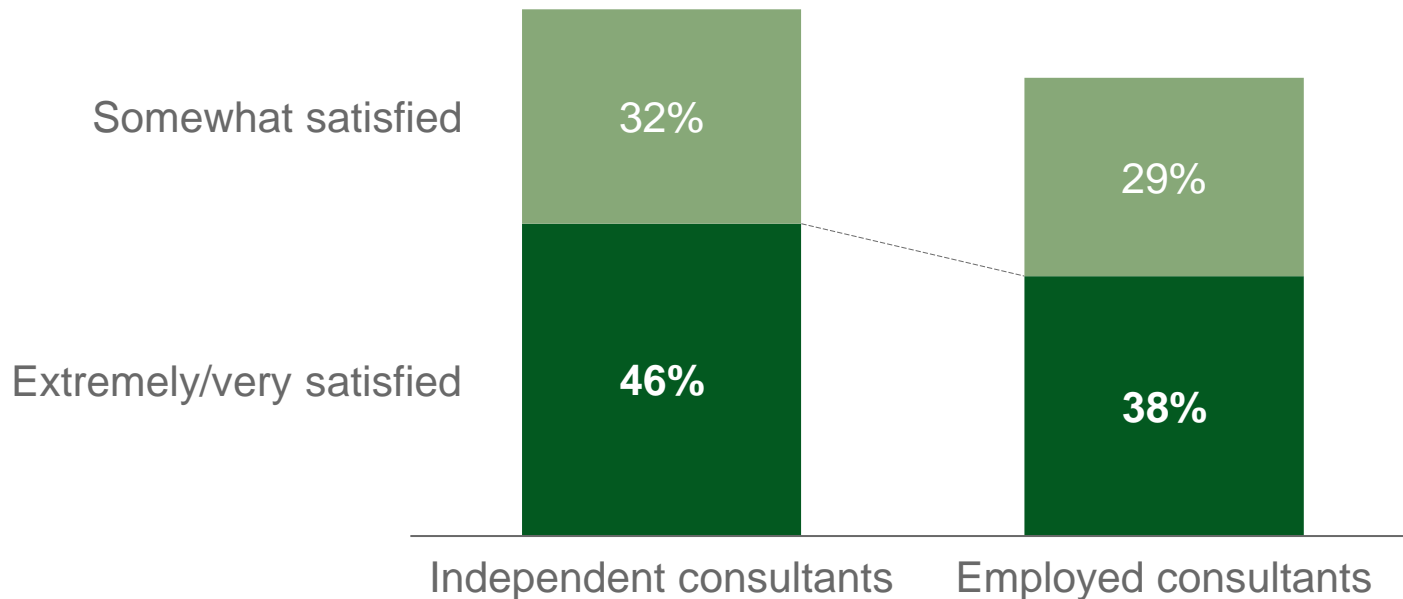
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Independents are more satisfied than employed consultants with their current professional life overall...

OVERALL SATISFACTION – INDEPENDENT VS EMPLOYED CONSULTANTS



Source: Eden McCallum IC survey 2021

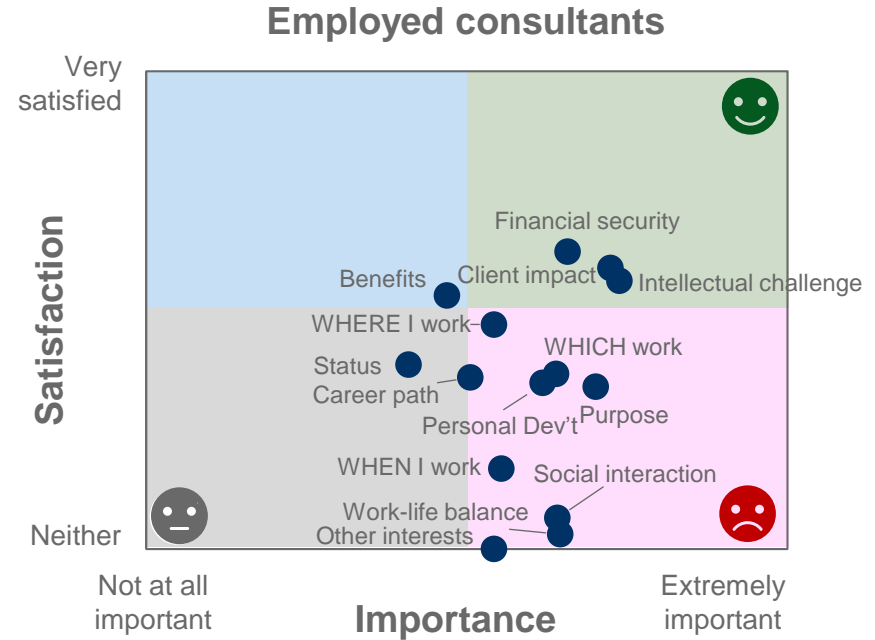
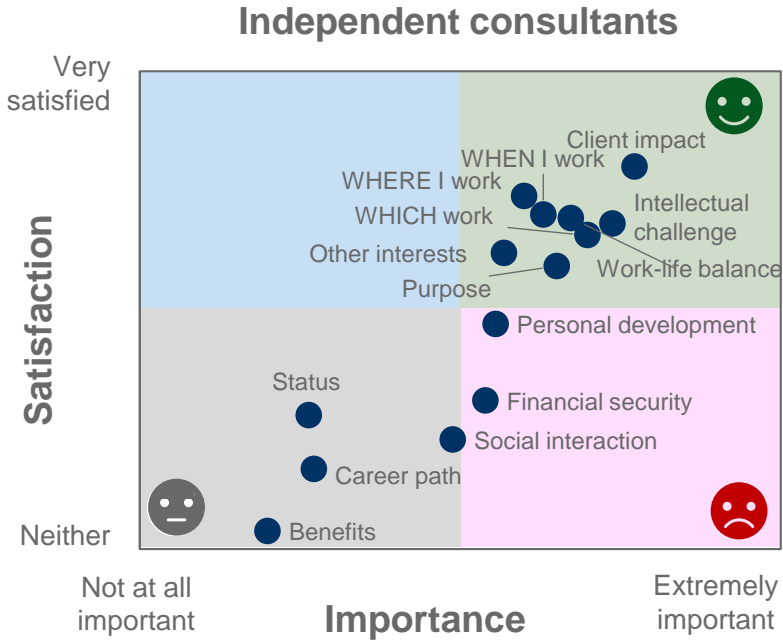
... and when we asked them to rate the **importance** and **satisfaction** of multiple career dimensions...

FACTORS RATED

- Intellectual challenge
- Impact for client
- Which work
- When I work
- Where I work
- Time for other interests
- Purpose
- Work-life balance
- Personal development
- Status
- Financial security
- Social interaction
- Tangible career path
- Employee benefits

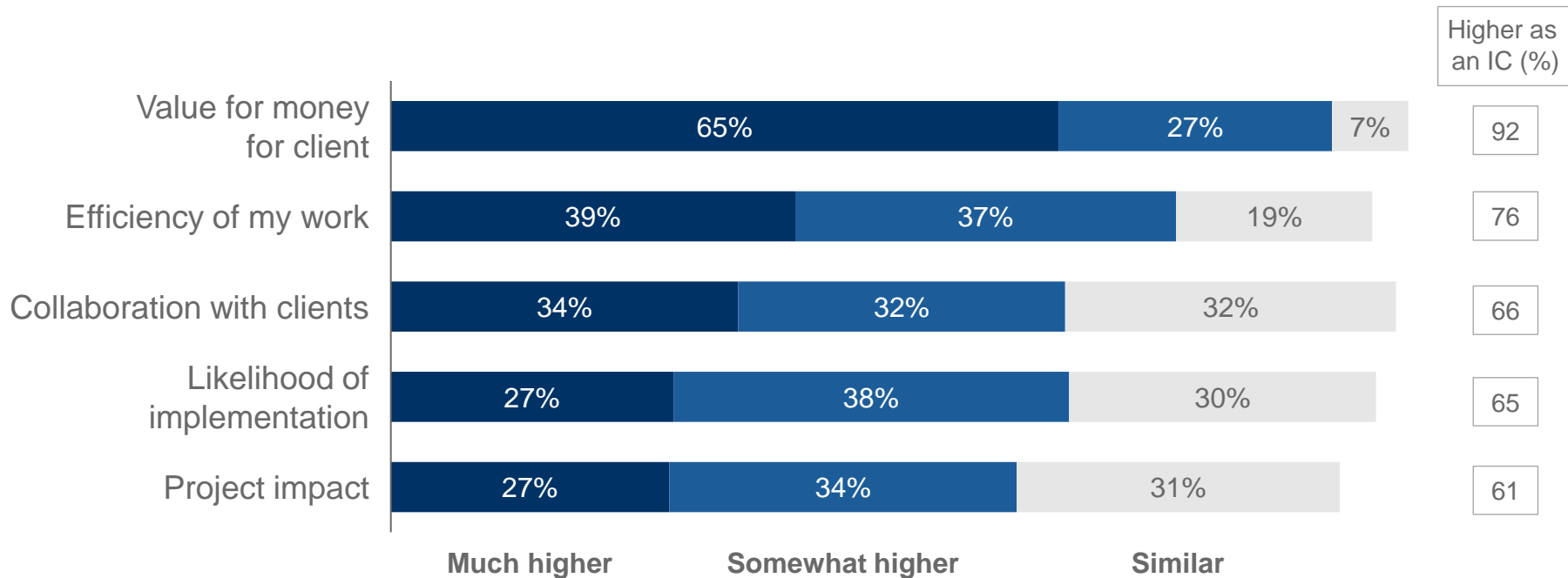
... they are clear about what matters and what doesn't, and are highly satisfied with the things that matter most – unlike their employed peers

IMPORTANCE OF AND SATISFACTION WITH CAREER FACTORS



Clients are also benefiting from this way of working

RATING OF CURRENT WORK AS AN INDEPENDENT VS. PROJECT WORK WHEN EMPLOYED



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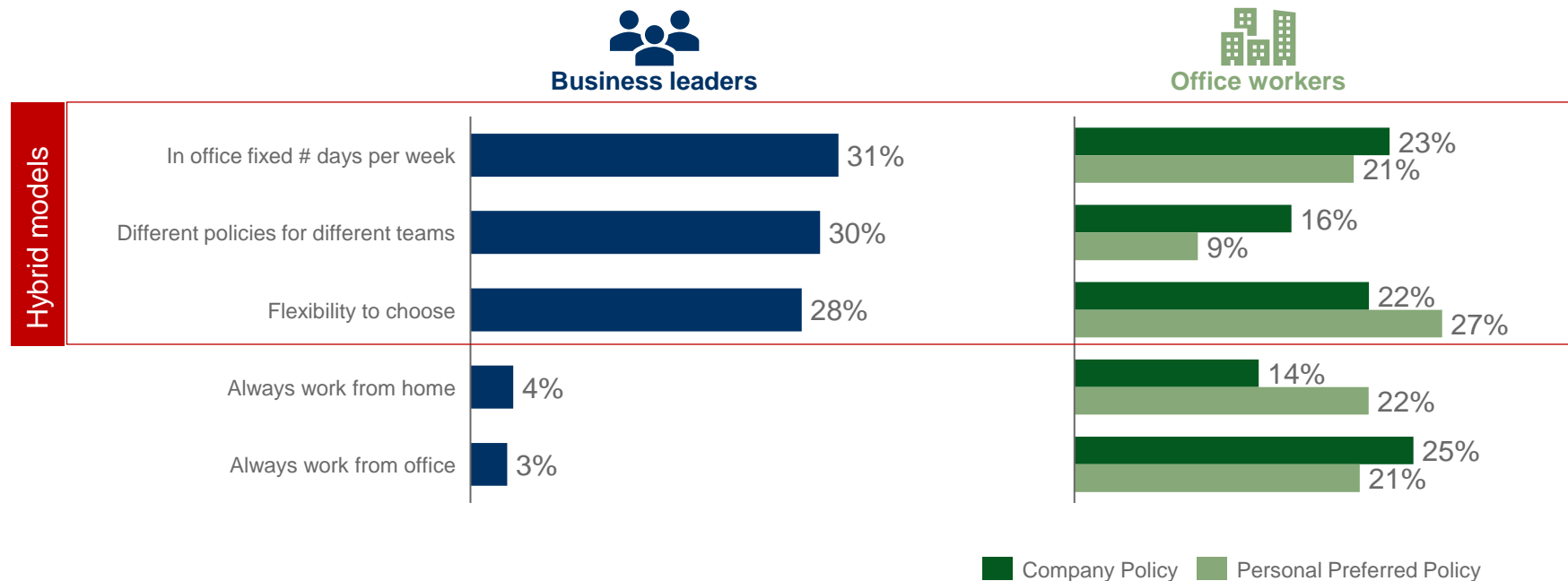
COVID-19 accelerated change, rather than redefined the way we work

‘Although the pandemic introduced a new kind of disruption, in many ways it is simply accelerating changes that were already well under way...The shift to remote working has been going on for 50 years...and digital transformation...has just become even faster’

Prof Feng Li, Cass Business School

c.90% of business leaders say their companies have hybrid working; only c.6 in 10 office workers say this is their companies' policy or preference

POLICY AND PREFERENCES ON WFH VS OFFICE



Business leaders more likely than office workers to work from home more often now than pre-pandemic

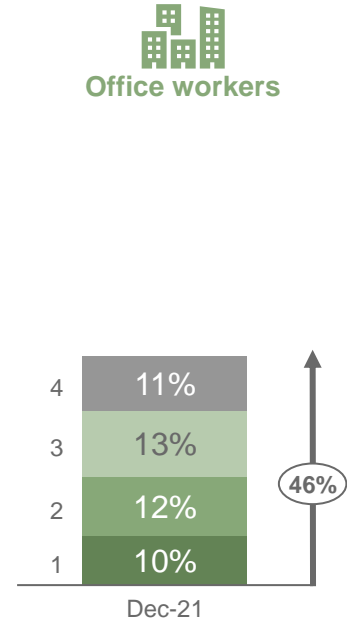
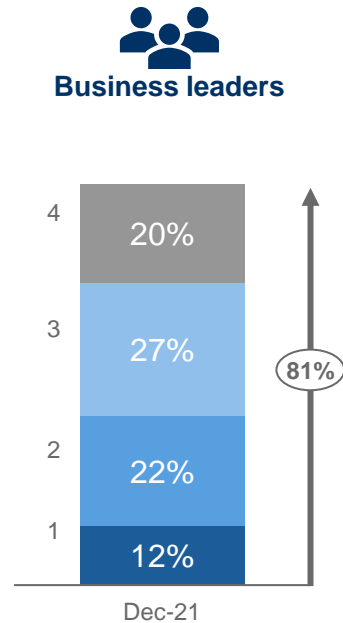
WORKING MORE FROM HOME NOW VS PRE-PANDEMIC



Note: 1) Totals might not equal 100% due to rounding; 2) Excludes those who answered 'I don't know / doesn't apply'
Source: EM Consumer and Client Research Surveys December 2021; Office Workers n: 481; Business Leaders n: 183; WQ13_new/Q10: Have the number of days you work from home in an average week changed compared to before the Covid-19 pandemic?

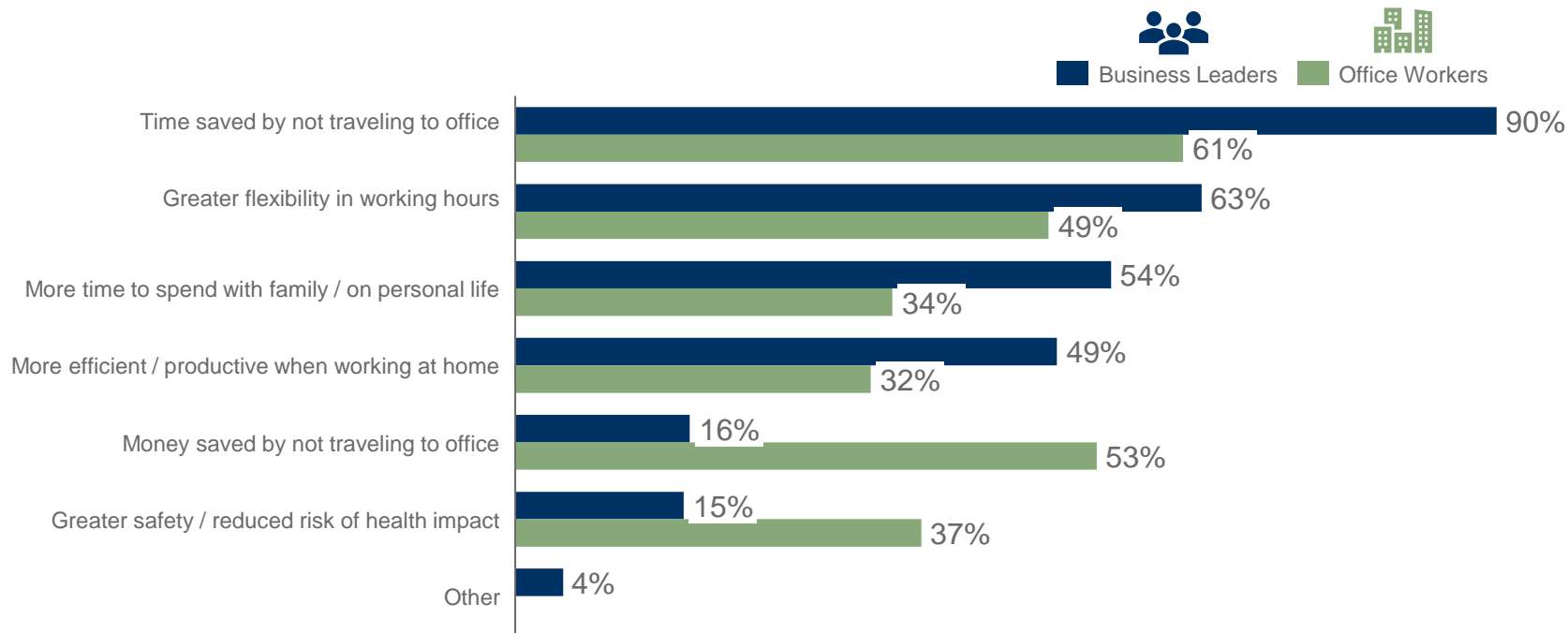
More business leaders working 'hybrid' than office workers

DAYS WORKED FROM HOME – AVERAGE PER WEEK



Business leaders and office workers see different benefits of WFH

BENEFITS OF WFH

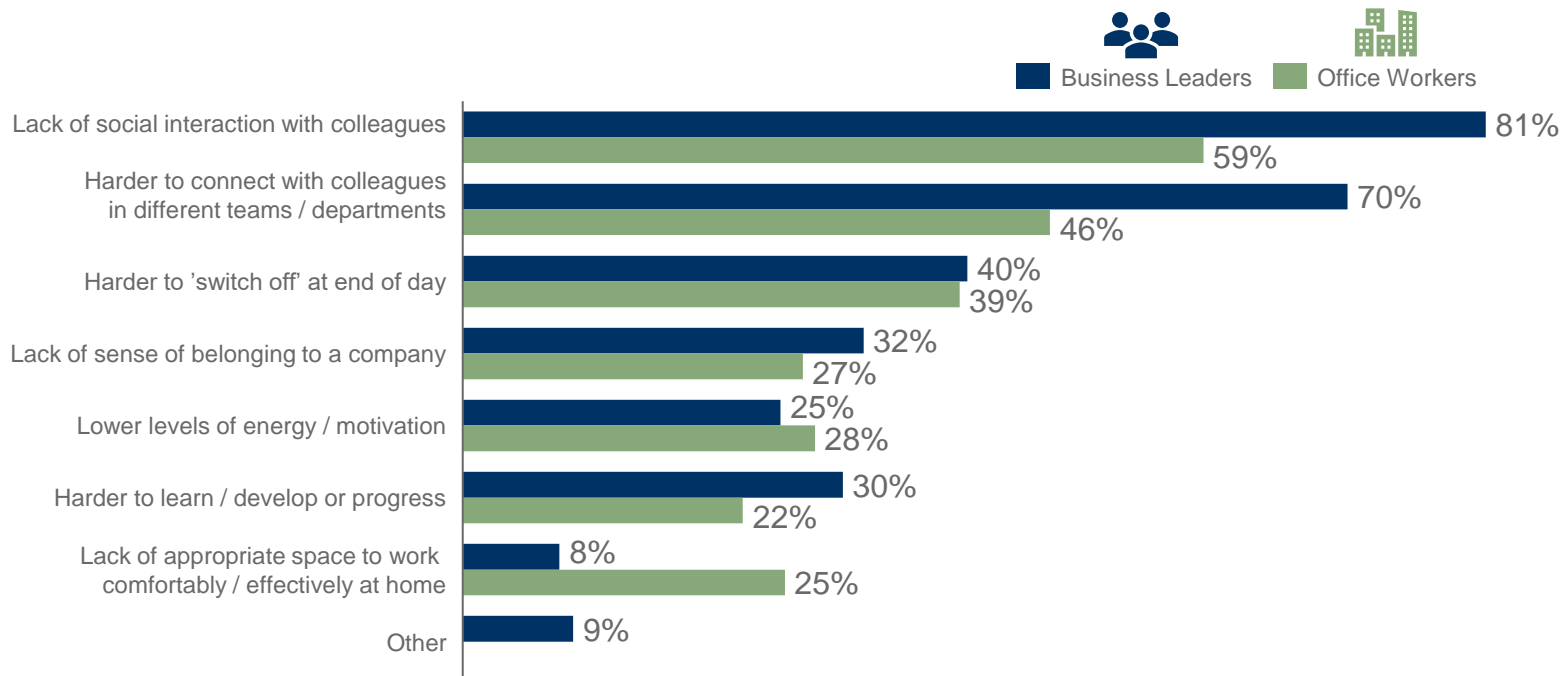


Note: 1) % is of total respondents on Q18_new; 2) Excludes those who answered 'I don't know / doesn't apply'

Source: EM Consumer and Client Research Surveys December 2021 : December 2021; Office Workers n: 481; Business Leaders n: 182; Q18_new / Q12 - Many people identify potential benefits from home working. What do you consider to be the top 3 benefits?

Challenges of WFH are similar, except on issue of space to work

NEGATIVES OF WFH

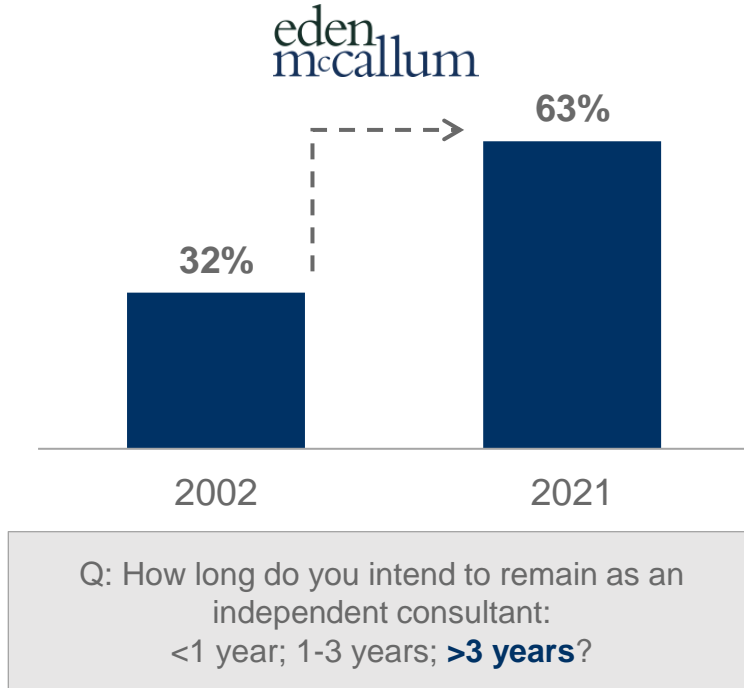


Note: 1) % is of total respondents on Q18_new; 2) Excludes those who answered 'I don't know / doesn't apply'

Source: EM Consumer and Client Research Surveys December 2021; Office Workers n: 420; Business Leaders n: 183; Q19_new / Q13 - Many people identify potential negatives of working from home. What do you consider to be the top 3 downsides?

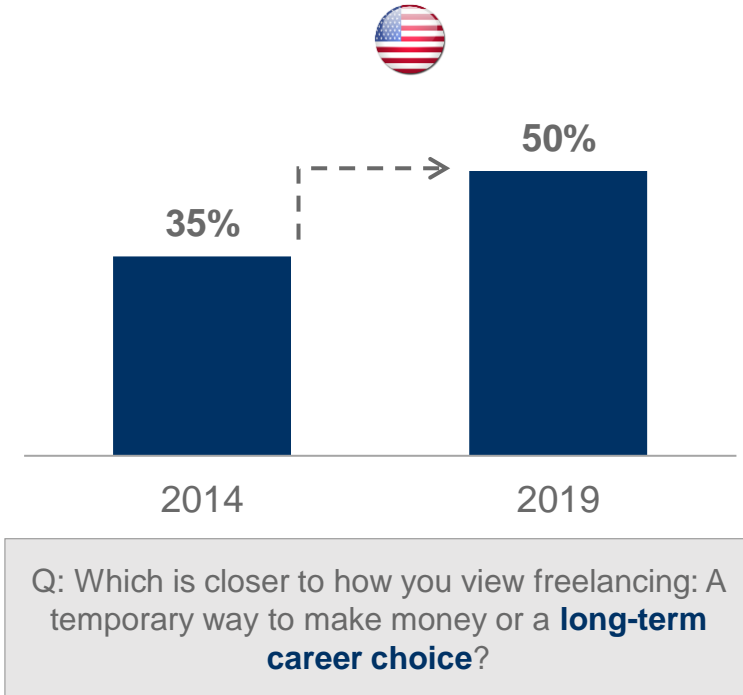
Independent consulting is increasingly a career choice, rather than something done in between permanent roles

FREELANCING AS A LONG-TERM CAREER CHOICE



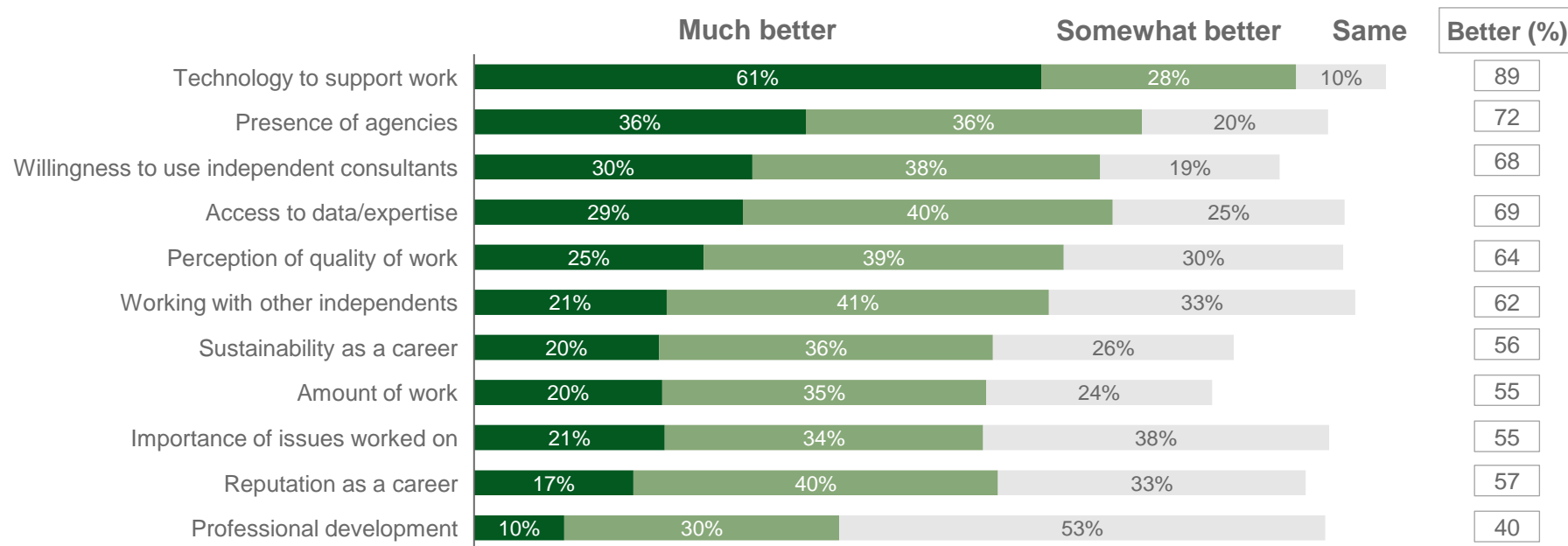
Source: Eden McCallum IC survey 2002 and 2021

Source: "Freelancers Union: Freelancing in America: 2019"



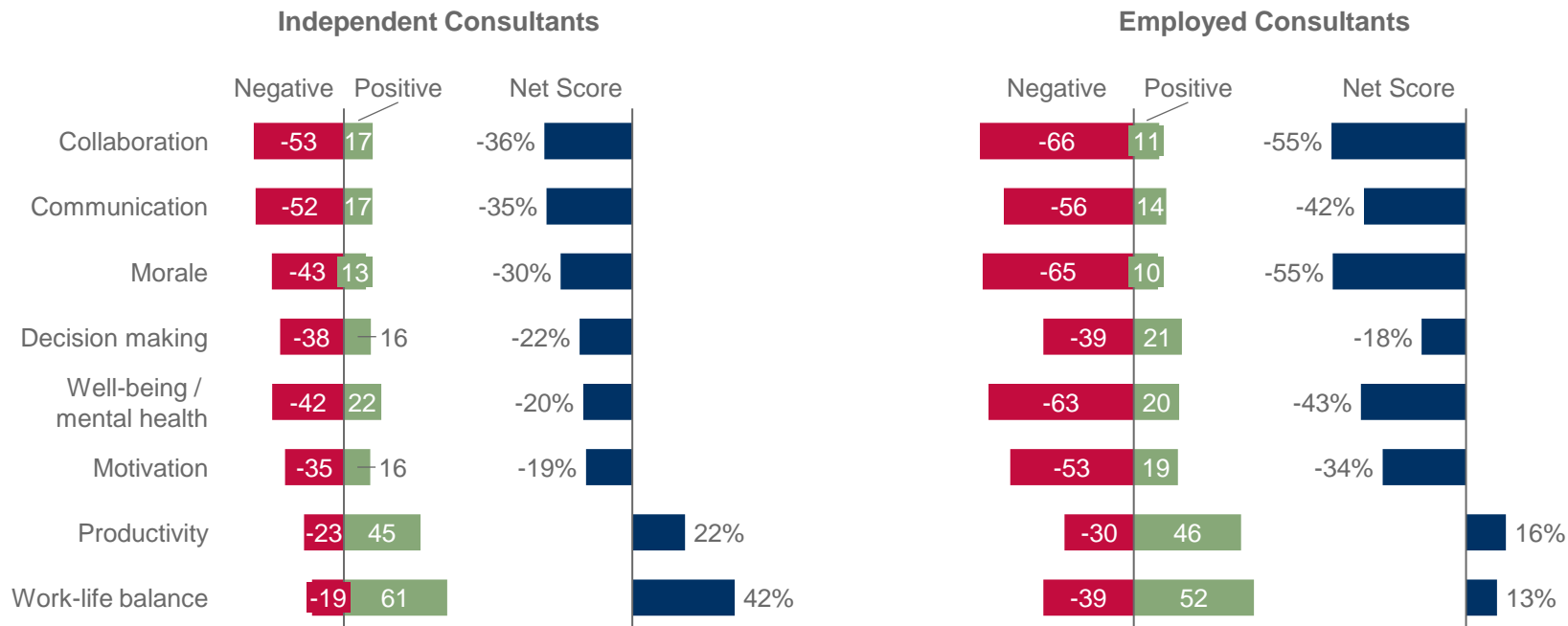
ICs believe that working as an independent consultant has improved over the past 5-10 years on multiple dimensions

RATING ASPECTS OF WORK AS AN INDEPENDENT CONSULTANT OVER THE PAST 5-10 YEARS



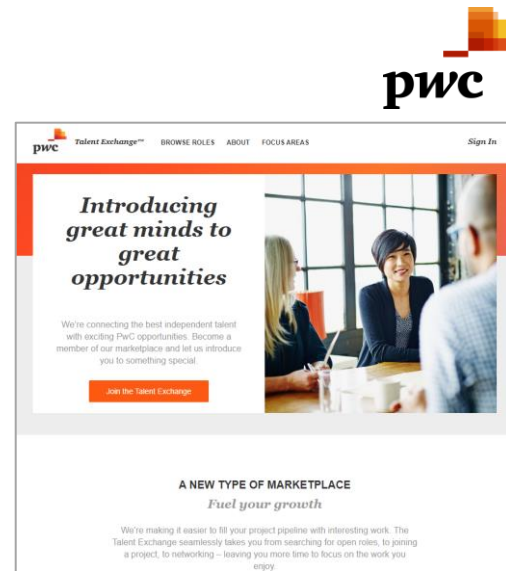
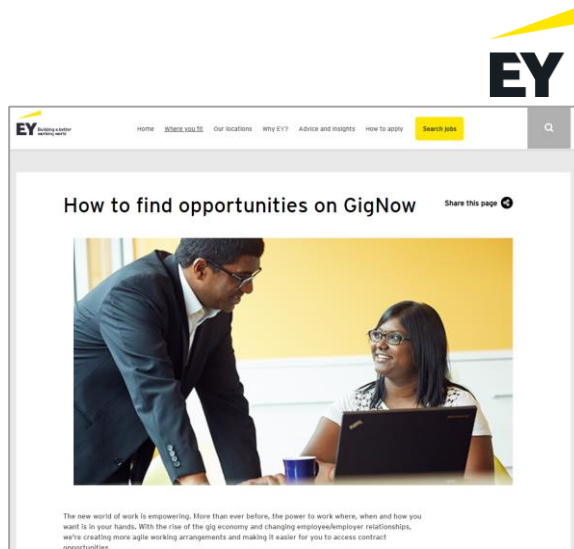
Independent consultants appear to be more resilient to the negative impacts of remote working compared to their employed peers

EXPERIENCE OF THE COVID-19 PANDEMIC – IMPACT OF REMOTE WORKING (%)



Source: Eden McCallum Consultant Survey 2021

Even pre-COVID-19, professional service firms were recognising that independent professionals will be a key part of their work force



...the importance of on-demand workers has moved from 'a lever we could pull five years ago' to 'a key part of our strategy' – Global Chief Innovation Officer, EY

Source: Company websites; Financial Times 'Gig Economy's new deal for Silicon Valley's white collar workers,' 13 Feb 2020

Changes affecting businesses (and consulting) will play to many of Eden McCallum's strengths

CHANGES FOLLOWING THE CRISIS

More remote working / flexible working

- Broader access to talent
- Less office space
- Less business travel

More cost pressure

Greater importance of values

EDEN MCCALLUM STRENGTHS

Flexible teams / access to talent

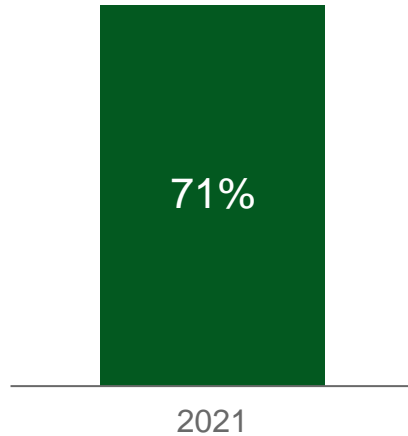
Low fixed cost model

Better balance

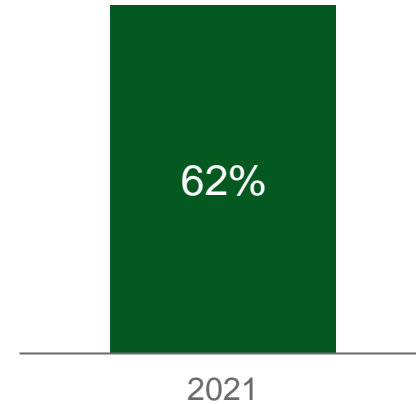
Independent consultants are optimistic about the future

PERCEPTIONS OF THE FUTURE INDEPENDENT CONSULTANT INDUSTRY

**% expecting # of ICs to
Increase over next 5 years**



**% expecting IC work available to
Increase over next 5 years**



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