

Management Consultant Survey 2022

Careers choices and satisfaction of
independent and employed consultants

Conducted November-December 2022

eden
mccallum



Contents

Overview

Demand for consulting work

Current Independent Consultants: days worked and rates

Comparing career satisfaction across groups

Independent consulting as a career

Comparing ways of working

Sample details



Overview [1 of 4]

- Eden McCallum's biannual Consultant Survey was conducted from 25th November to 20th December 2022
- Both independent consultants (ICs) and employed consultants (i.e., those working as employees at a management consulting firm) were surveyed to understand more about their career choices, satisfaction, and ways of working
- Our sample (455) works across a broad range of management consulting service areas; the two largest are strategy and transformation
- Both groups are seeing increasing demand for consulting, particularly in data science/analytics, ESG and digital strategy/transformation
- In terms of days worked and rates:
 - ICs work c. 170 days per year on average, with billable days back to pre-pandemic levels of c. 135 (unbilled days are below pre-pandemic levels)
 - Demand for independent consultants has been increasing and this expected to continue: 7 in 10 ICs say they worked the same or more days in 2022 vs 2021, and 8 in 10 expect to work as many or more days in 2023
 - Day rates are also increasing: a third of ICs put their rates up in 2022 (62% stayed the same), and 45% expect to increase their rates in 2023 (53% will stay the same)
 - Two-thirds of independent consultants earn more or the same as an IC compared to when they were employed; this has been largely constant since 2018. It is worth recalling that this is off a base of 170 worked days as an IC, of which 135 are paid.
 - Women are more likely to be earning more as an IC compared to when they were employed than men are (48% vs 41%)
 - Under 40s are much more likely to be earning more as an IC vs when employed (71% vs 37% for Over 40s)

Overview [2 of 4]

- Findings on overall career satisfaction and the importance of and satisfaction with specific career factors continues to show that ICs are more satisfied than their employed peers, particularly on the factors that matter most to them:
 - 58% of ICs are extremely or very satisfied with their careers, compared to 53% of employed consultants; these findings have returned to pre-pandemic levels, after a dip for both groups in 2020/21
 - Female ICs are more satisfied than male ICs (92% vs 84% overall satisfaction; and 69% vs 56% extremely/very satisfied)
 - Under 40s ICs are more satisfied than their older peers (96% vs 83% overall satisfaction; and 68% vs 57% extremely/very)
 - We looked at a number of career factors, from client impact to work-life balance, and asked ICs and employed consultants how important it is to them and how satisfied they are with that factor
 - ICs continue to make clear choices about what matters (e.g., client impact, intellectual challenge, work-life balance, control over where, when and type of work) and what doesn't (e.g., employment benefits, a tangible career path, status); and they are highly satisfied with the factors that matter most
 - Employed consultants view everything as important and are not satisfied with a number of these, although their satisfaction has increased post-pandemic with some factors, such as where they work and work-life balance, which is likely due to increased remote working. This is supported by findings in the MCA Annual Member Survey, which found that 60% of member consultants (all employed) said they are more satisfied with their job because of hybrid working
 - Female ICs are more satisfied than male ICs across most factors, and particularly on those most important to them; as are Under 40s vs Over 40s
 - ICs also believe their way of working is better for clients:
 - 90% say their project work delivers better value for money for clients now than when they were employed consultants
 - 66% to 85% also say their work now is more efficient, more collaborative, more gratifying, more likely to be implemented and higher impact compared to when they worked as employed consultants

Overview [3 of 4]

- Independent consulting is now a clear career choice – a significant change over the past 20 years
 - When we first asked ICs in 2002 how long they expect to remain working as an independent consultant, about one-third said less than 12 months, another third said c. 1-3 years, and a third said more than 3 years; 20 years later, nearly 7 in 10 now say they expect to remain an IC for more than 3 years – it is a career choice, not an ‘in between’ or temporary role
 - This is particularly true for women: 81% expect to remain an IC for more than 3 years
 - If ICs were to leave independent consulting, the most likely next role is something entrepreneurial (33%) – either starting their own business or joining a start up
 - In addition to independent consulting delivering high levels of career satisfaction and being financially rewarding, it is also supported as a career choice by the existence of a broad range of sources of work
 - When we started surveying ICs in 2002, there were a handful of third party firms providing ICs with projects; in this survey, ICs cited 119 different firms providing freelance project work. And there’s further evidence of this proliferation of sources of work:
 - From 2020 to 2022, ICs registered with 5+ firms rose from 19% to 35%, with 91% registered with at least one third party
 - Traditional consulting firms are also increasingly adding ICs to their teams: over half of the ICs surveyed are signed up to do freelance work with a traditional consulting firm, and c. 40% have done so
 - However, direct clients continue to be the most significant source of work for ICs overall
 - When considering work from third party firms and traditional consultancies, the most important factors are: interesting and high impact project work; the firm treating ICs with respect; and the calibre of the other consultants on the team
 - On overall satisfaction and the key factors, Eden McCallum is rated higher than both 3rd party firms generally and traditional consultancies; the latter in turn are rated marginally more highly than the former

Overview [4 of 4]

- As we emerge from the Covid pandemic and its lockdowns, new ways of working have taken hold, particularly in terms of remote working; our 2020 survey showed that ICs embraced this way of working more seamlessly than employed consultants, and there are still some differences evident:
 - c. three-quarters of ICs say they mostly work remotely, compared to half of employed consultants
 - While about 85% of both groups say they work remotely more now than pre-pandemic, nearly two-thirds of ICs expect it to stay this way, compared to only half of employed consultants
 - ICs' decisions about remote working are more client-driven, while employed consultants' decisions are more influenced by their firm; both groups also believe their personal preferences play a significant role in how/where they work
 - Both groups see the biggest upsides of remote working as saving time and providing flexibility, while the biggest downsides are lack of social/colleague interaction, but there are also some differences between the groups:
 - ICs are more likely to see WFH as more efficient/productive (54% of ICs site it as an upside vs 38% of employed consultants)
 - Employed consultants are more likely to find it harder to switch off at the end of the day when working from home (49% vs 32%)
- In terms of the sample details:
 - c. 80% of the respondents are European; c. 80% are male; and c. 90% have Masters degrees or higher
 - c. 30% are currently or formerly from MBB (McKinsey, Bain, BCG), another 30% from the Big Four, and the rest have experience with other management consulting firms
 - Comparing the independent consultants to employed consultants, ICs have c. 28 years of professional experience on average, compared to c. 21 for employed consultants

Contents

Overview

Demand for consulting work

Current Independent Consultants: days worked and rates

Comparing career satisfaction across groups

Independent consulting as a career

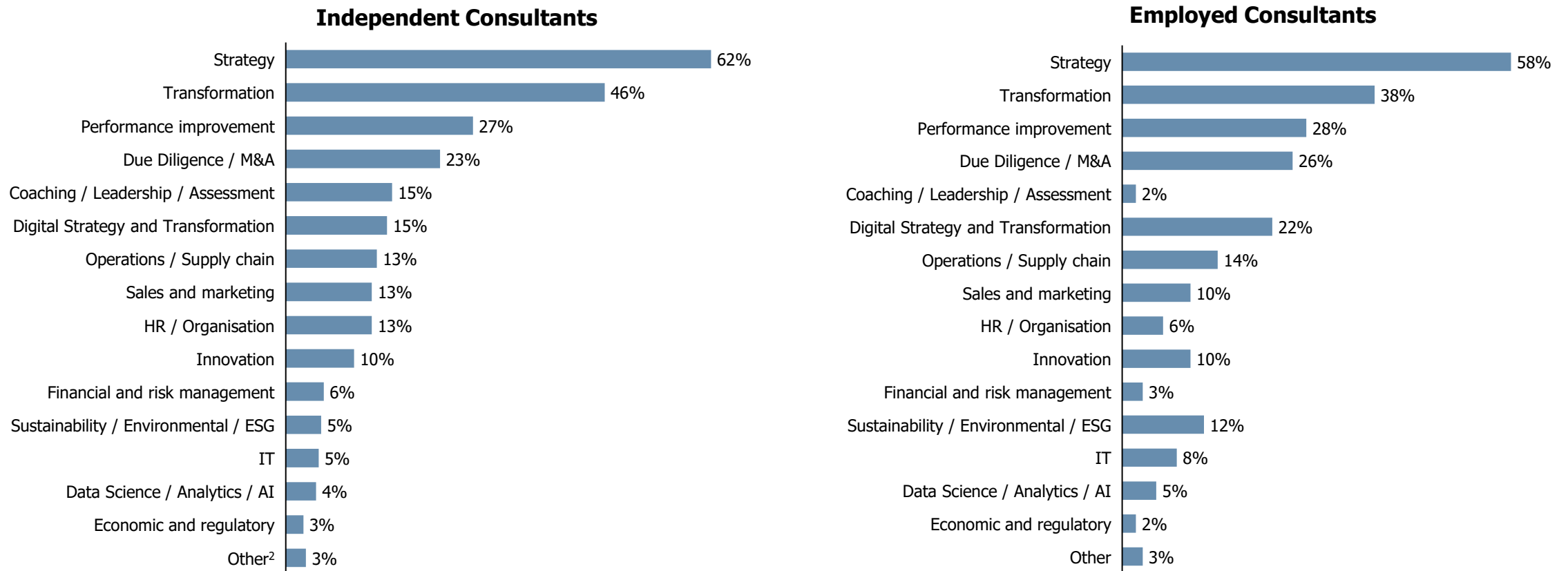
Comparing ways of working

Sample details



Strategy, Transformation, Performance improvement, and Due Diligence / M&A are the most common types of consulting work undertaken by our sample

TYPES OF CONSULTING WORK UNDERTAKEN BY OUR RESPONDENTS



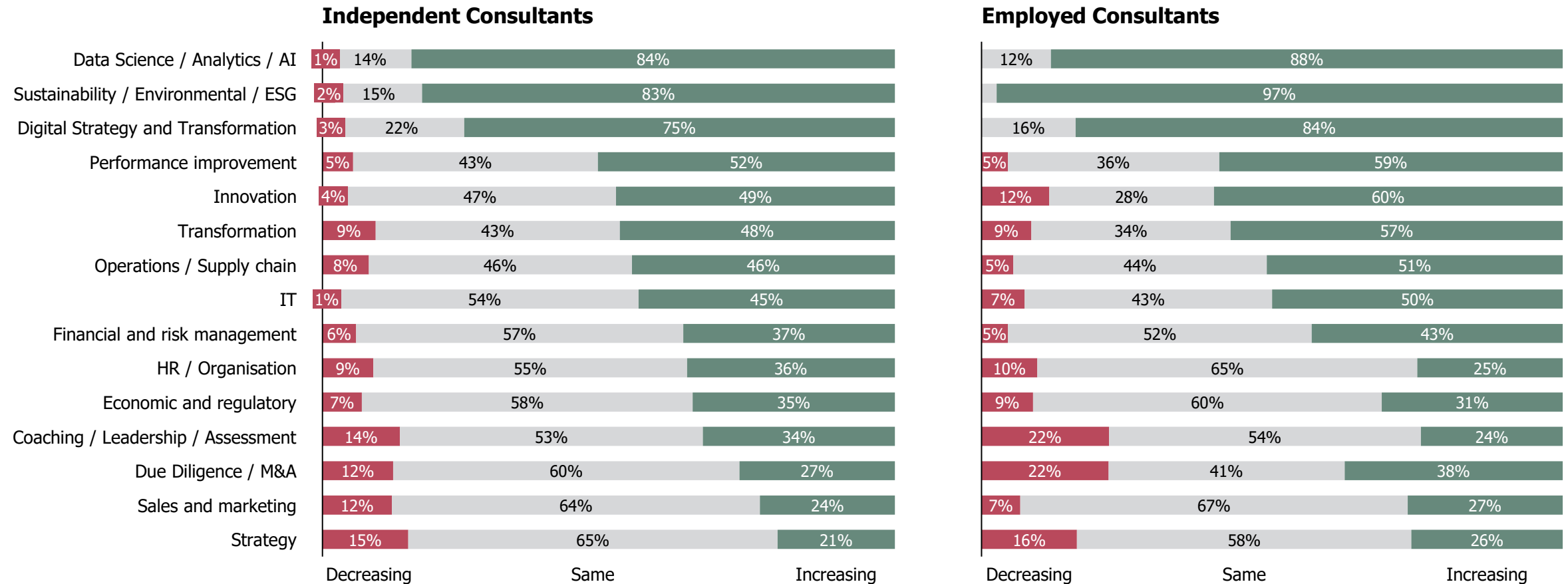
Independent consultants: n=271; employed consultants: n=98

Note: 1) Participants could select multiple areas, therefore percentages will not add up to 100% 2) Includes: branding, training and workshops, pricing, education, feasibility and business planning and sector specific work

Source: Eden McCallum & LBS Consultant Survey 2022 - Q2: How would you describe most of the consulting work you do?; QB2. How would you describe most of the consulting work you do?

IC and employed consultants report similar changes in demand for consulting: the largest increases are in Data Science, ESG and Digital Strategy and Transformation

PERCEIVED CHANGES IN DEMAND BY AREA OF CONSULTING



Independent consultants: n=258; employed consultants: n=88

Source: Eden McCallum & LBS Consultant Survey 2022 – Q2.B: From what you are seeing in the market, in which of these areas of consulting is demand increasing, and in which is it decreasing or staying the same?; QB2B. From what you are seeing in the market, in which of these areas of consulting is demand increasing, and in which is it decreasing or staying the same?

Contents

Overview

Demand for consulting work

Current ICs: days worked and rates

Comparing career satisfaction across groups

Independent consulting as a career

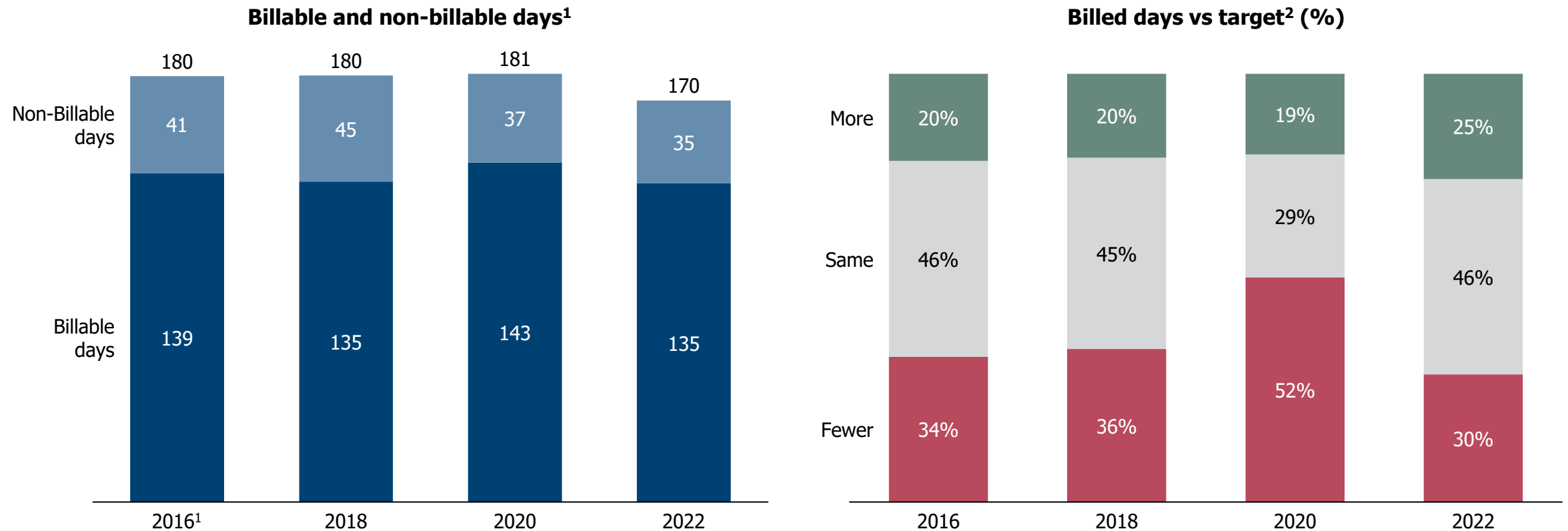
Comparing ways of working

Sample details



ICs' average billable days and perception of actual days worked vs targeted days have returned to pre-pandemic levels; non-billable days are lower

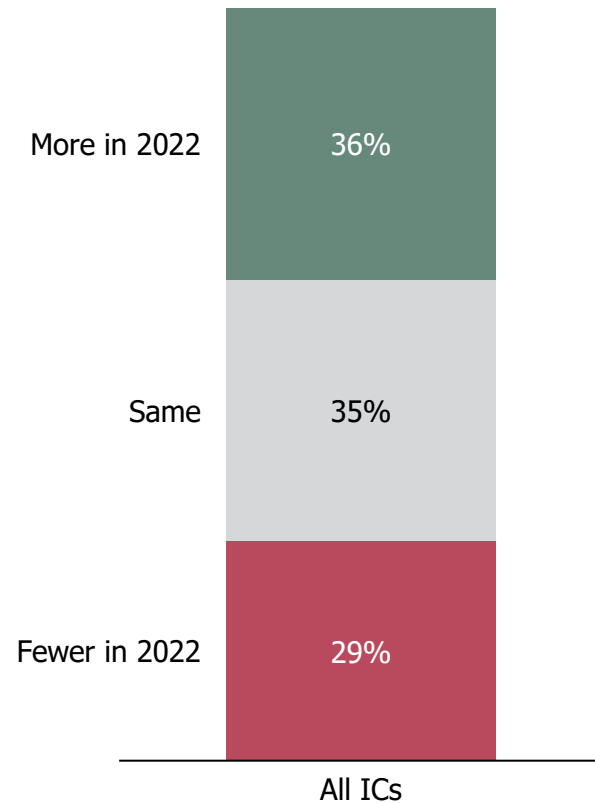
DAYS WORKED AS AN INDEPENDENT CONSULTANT



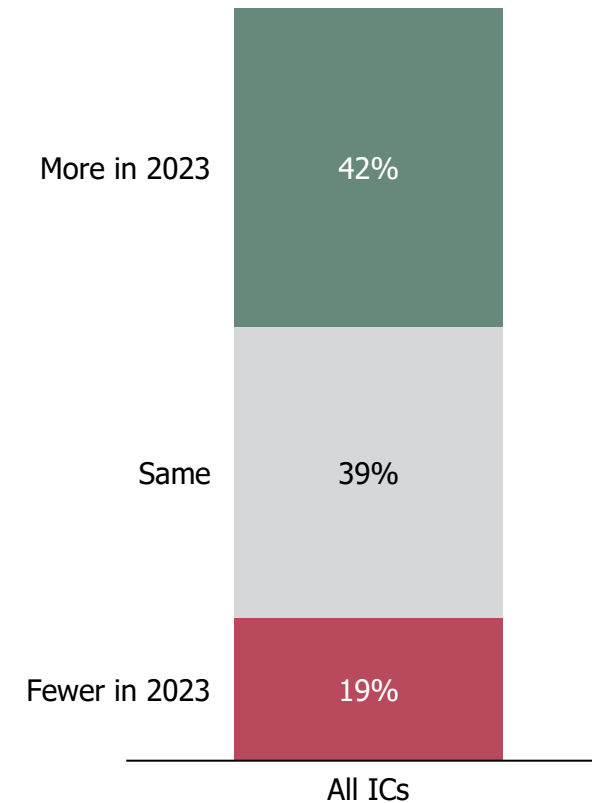
n=238 Note: 1) where the non-billable days entered exceeded the number of billable days, this was treated as an entry error, and the two values were switched for calculations 2) Excluding those who answered not sure/don't know/n/a
 Source: Eden McCallum & LBS Consultant Survey 2022 - Q5.1: Thinking about the past year, how many days in total did you work as an independent consultant? Of that total, how many were billable days (in other words, you invoiced a client for them) and how many were non-billable (in other words, days you worked but were not paid, for example, doing admin, marketing, pitches,...)? : Q5.2: Thinking about the past year, how did the actual number of billable days compare to the number of days you were targeting?

7 in 10 ICs say they worked the same or more days in 2022 vs 2021; and 8 in 10 expect to work as many or more days in 2023

TOTAL BILLED DAYS 2022 VS 2021¹



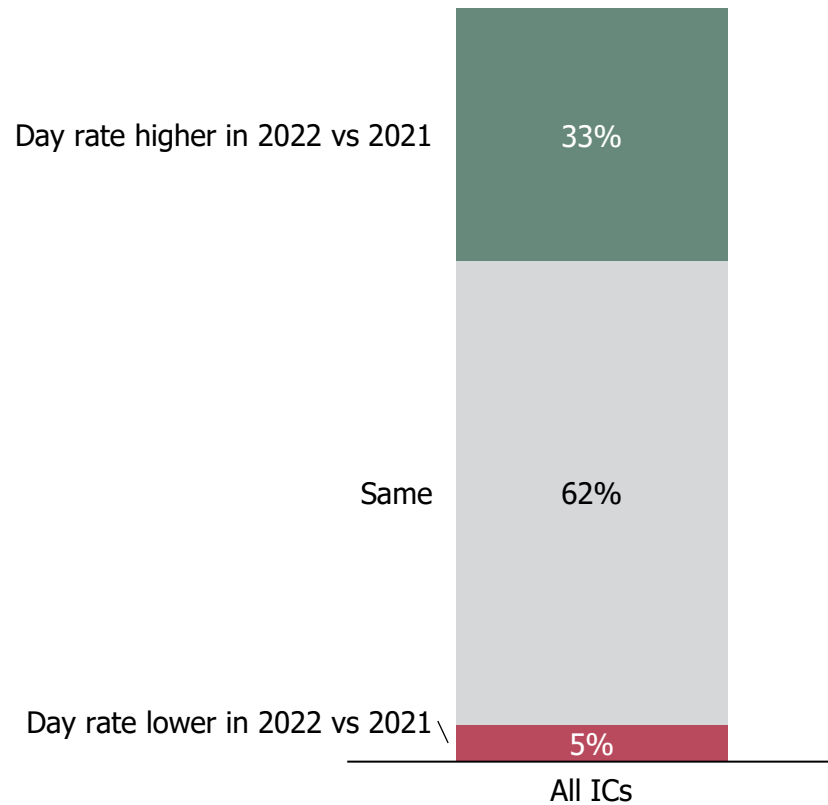
EXPECTED TOTAL BILLED DAYS 2023 VS 2022¹



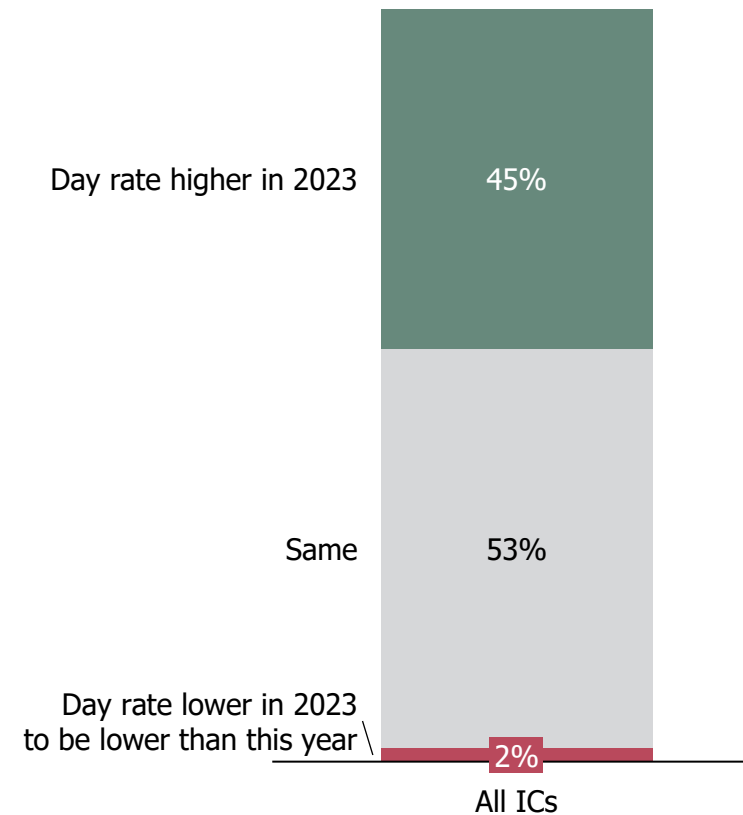
n=237 Note: 1) excludes DK Source: Eden McCallum & LBS Consultant Survey 2022 –Q5.3 And how will the total number of billable days in 2022 compare to 2021? & Q5.5 Do you expect the number of days that you bill next year (2023) to be different to the total number of days that you will bill this year (2022)?

Day rates increased for c. one-third of ICs in 2022 vs 2021; nearly half expect their day rate to be higher in 2023

DAY RATES 2022 VS 2021¹



EXPECTED 2023 DAY RATE¹

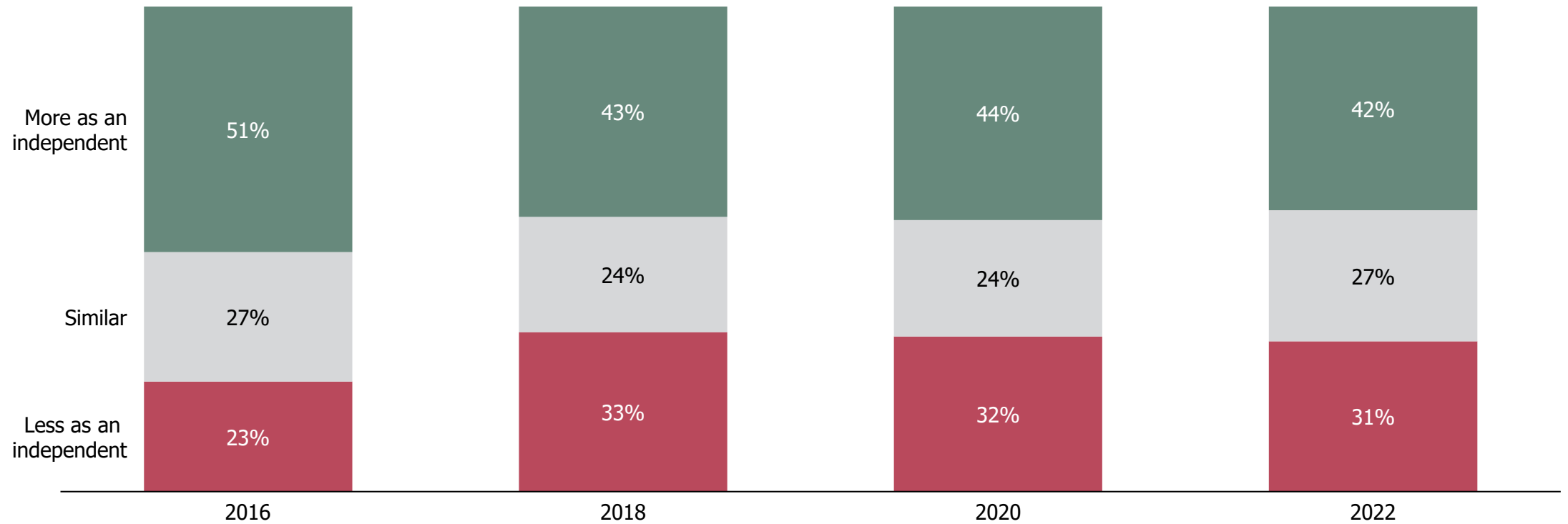


n = 232 Note: 1) excludes don't know / not applicable

Source: Eden McCallum & LBS Consultant Survey 2022 – Q4.2: How does the average day rate that you are charging this year (2022) compare to the average day rate that you charged clients in the previous year (2021)? & Q4.3 Do you expect the average day rate that you charge next year (2023) to be different to the average day rate that you are charging clients this year (2022)?

Two-thirds of independent consultants earn the same or more as an IC compared to when they were employed; this has been largely constant since 2018 and is on a base of c. 170 days worked as an IC, of which 135 are paid

EARNINGS AS AN INDEPENDENT CONSULTANT VS AS AN EMPLOYED CONSULTANT¹

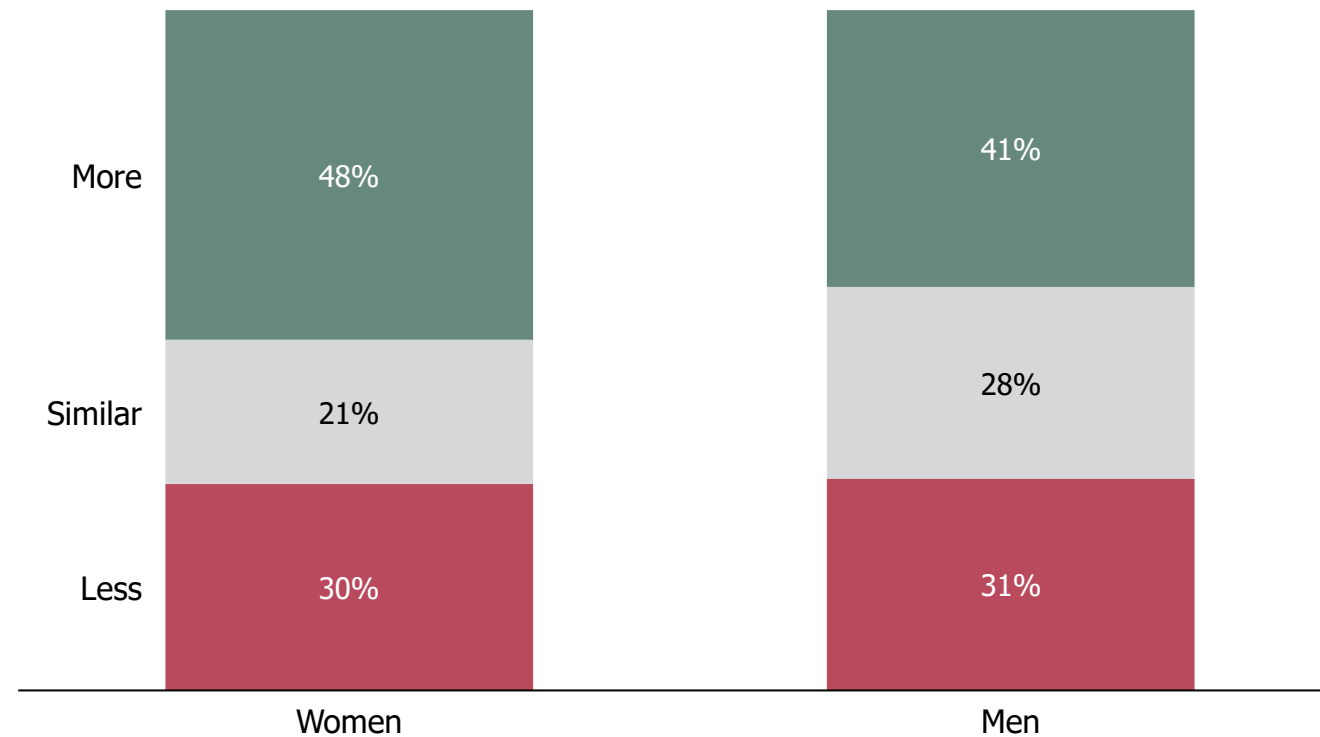


2016, n=251; 2018, n=307; 2020, n=279; 2022, n=206; Note: 1) Excluding those who answered 'prefer not to say'

Source: Eden McCallum & LBS Consultant Survey 2022 - Q23: From a purely financial point of view, do you make more or less money as an independent consultant compared to when you were employed?

Women are more likely to be earning more if they become an independent management consultant than men

EARNINGS AS AN INDEPENDENT CONSULTANT VS AS AN EMPLOYED CONSULTANT¹ – BY GENDER

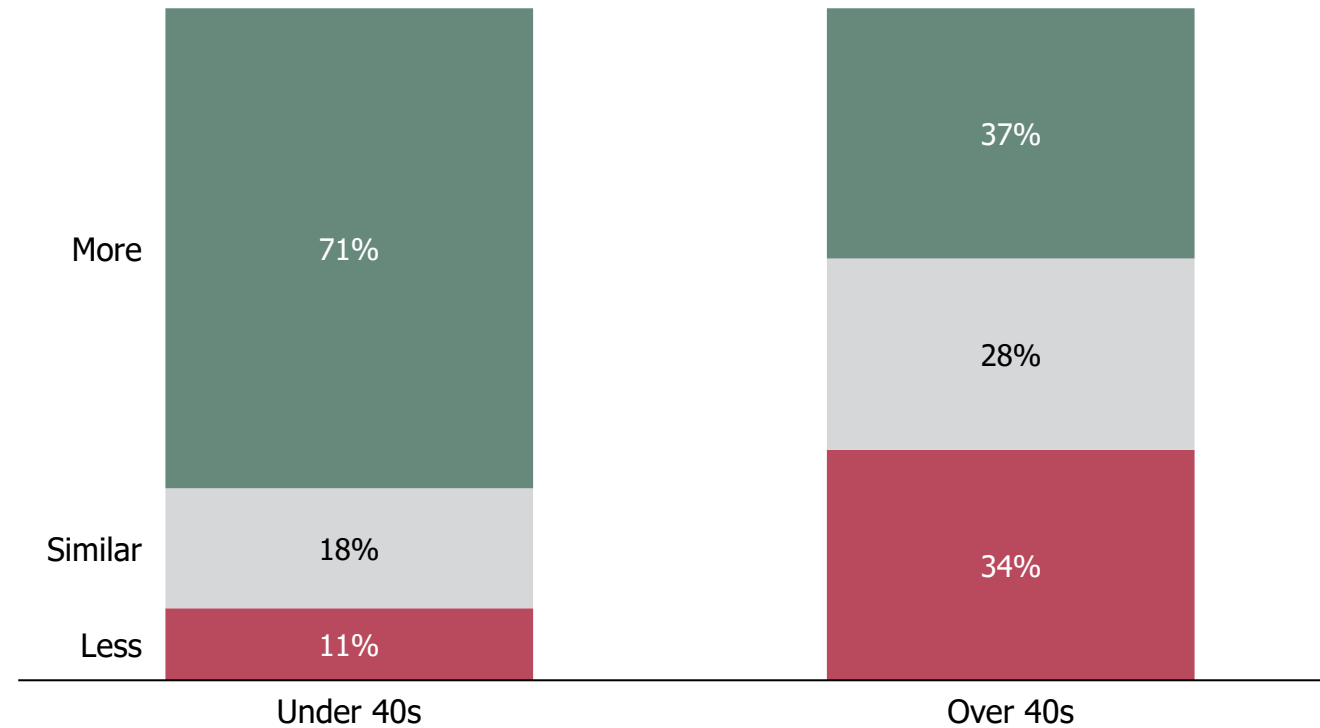


Women, n=34; Men, n=172; Note: 1) Excluding those who answered 'prefer not to say'

Source: Eden McCallum & LBS Consultant Survey 2022 - Q23: From a purely financial point of view, do you make more or less money as an independent consultant compared to when you were employed before?

7 in 10 Under 40s earn more as an IC in contrast to under 4 in 10 Over 40s

EARNINGS AS AN INDEPENDENT CONSULTANT VS AS AN EMPLOYED CONSULTANT¹ – BY AGE



40 and Under, n=28; Over 40s, n=178; Note: 1) Excluding those who answered 'prefer not to say'

Source: Eden McCallum & LBS Consultant Survey 2022 - Q23: From a purely financial point of view, do you make more or less money as an independent consultant compared to when you were employed before?

Contents

Overview

Demand for consulting work

Current ICs: days worked and rates

Comparing career satisfaction across groups

Independent consulting as a career

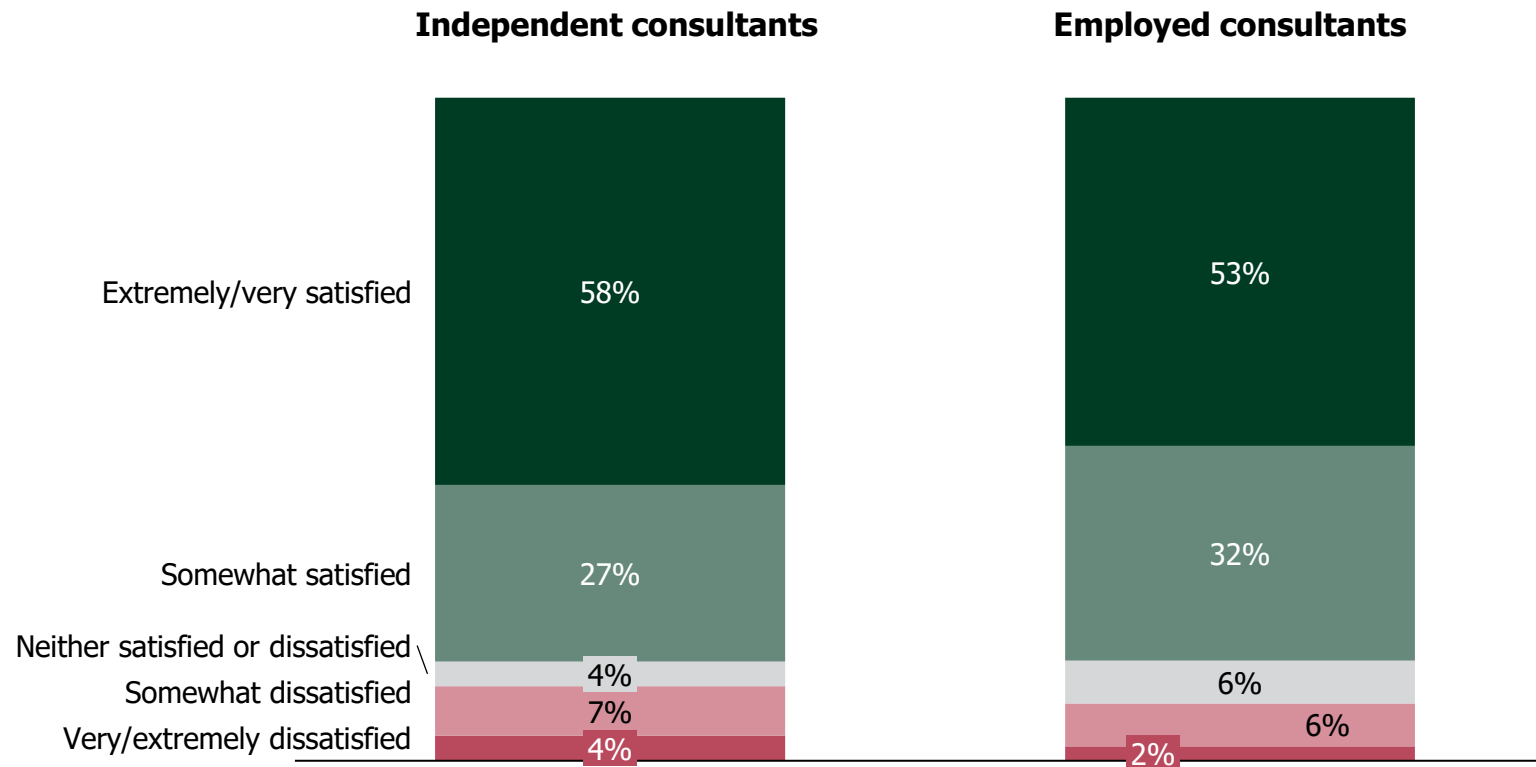
Comparing ways of working

Sample details



More ICs are extremely or very satisfied with their careers than their employed peers

OVERALL CAREER SATISFACTION – INDEPENDENT VS EMPLOYED CONSULTANTS



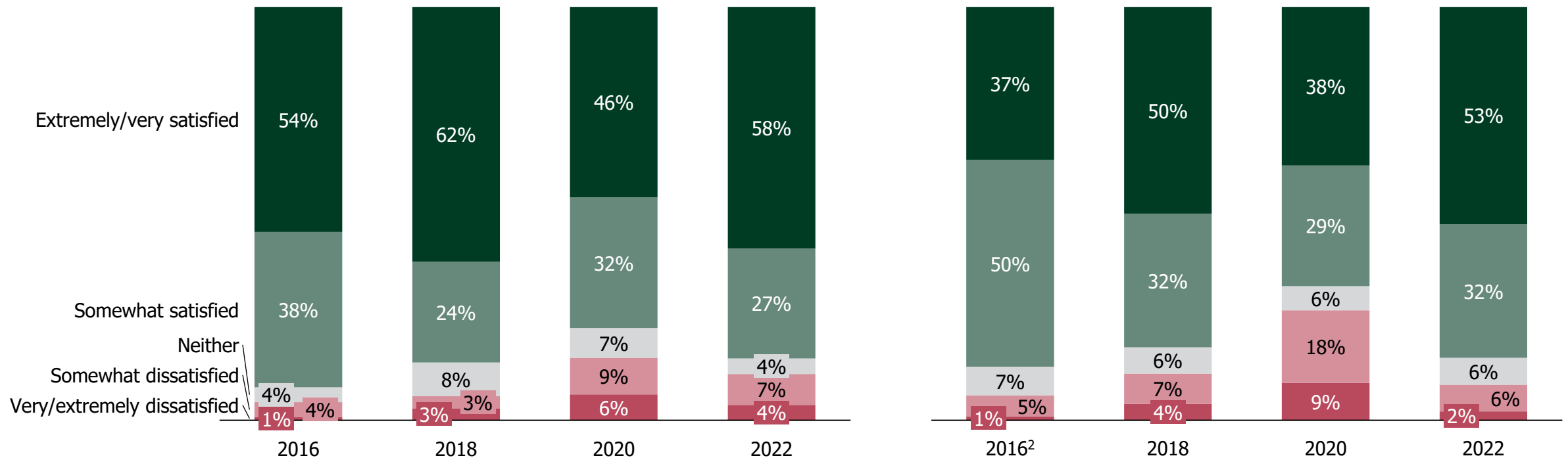
IC, n=214; EC, n=88; Note: 1) Scored on a 1-7 scale where 1&2 = Very/extremely dissatisfied, 3 = Somewhat dissatisfied, 4 = Neither satisfied or dissatisfied, 5 = Somewhat satisfied, 6&7 = Extremely/very satisfied
Source: Eden McCallum & LBS Consultant Survey 2022 - Q17 and QB6: In general, how SATISFIED are you with your current professional life?

Overall career satisfaction levels for both independent and employed consultants have returned to the pre-pandemic levels

OVERALL CAREER SATISFACTION OVER TIME: INDEPENDENT VS EMPLOYED CONSULTANTS

Independent consultants

Employed consultants

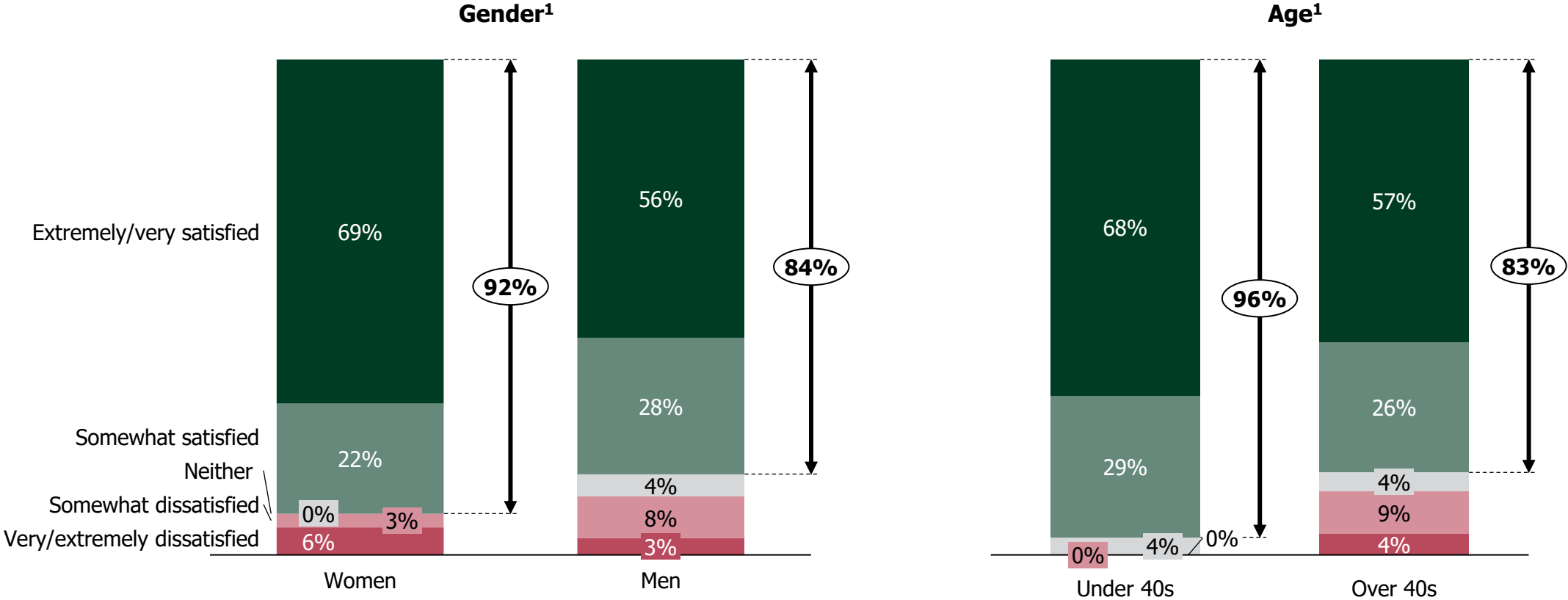


2016, n=108; 2018, n=94; 2020, n=154; 2022, n=88; Note: 1) Scored on a 1-7 scale where 1&2 = Very/extremely dissatisfied, 3 = Somewhat dissatisfied, 4 = Neither satisfied or dissatisfied, 5 = Somewhat satisfied, 6&7 = Extremely/very satisfied; 2) Former ICs responses only (now ECs)

Source: Eden McCallum & LBS Consultant Survey 2022 – QB6r1: In general, how SATISFIED are you with your current professional life?

Female ICs and Under 40s are more satisfied with their careers than male and older ICs

OVERALL CAREER SATISFACTION – INDEPENDENT CONSULTANTS – BY GENDER AND AGE

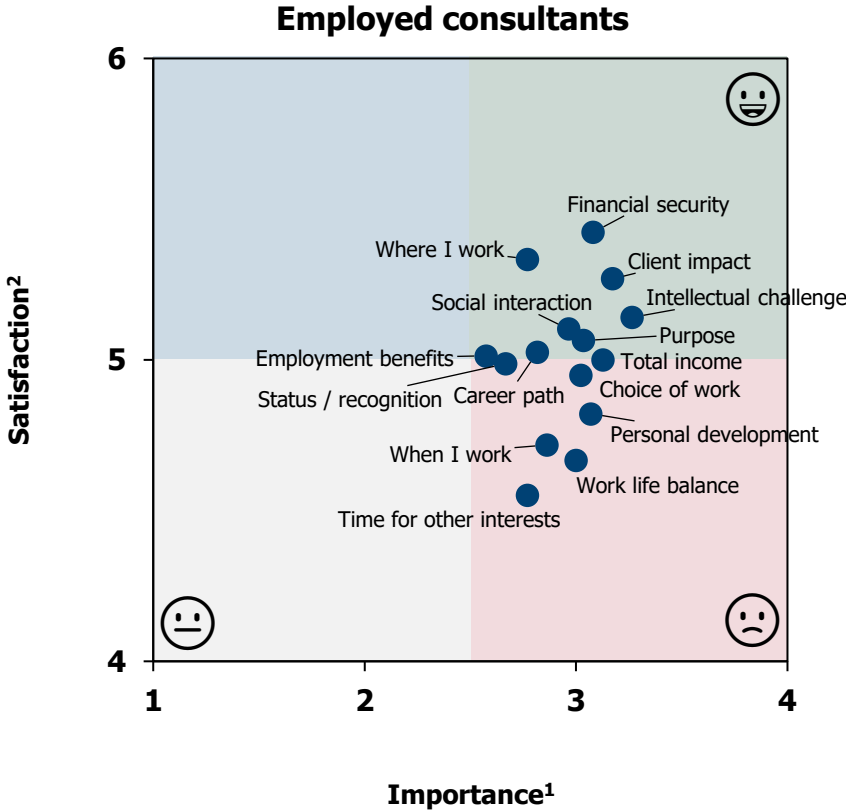
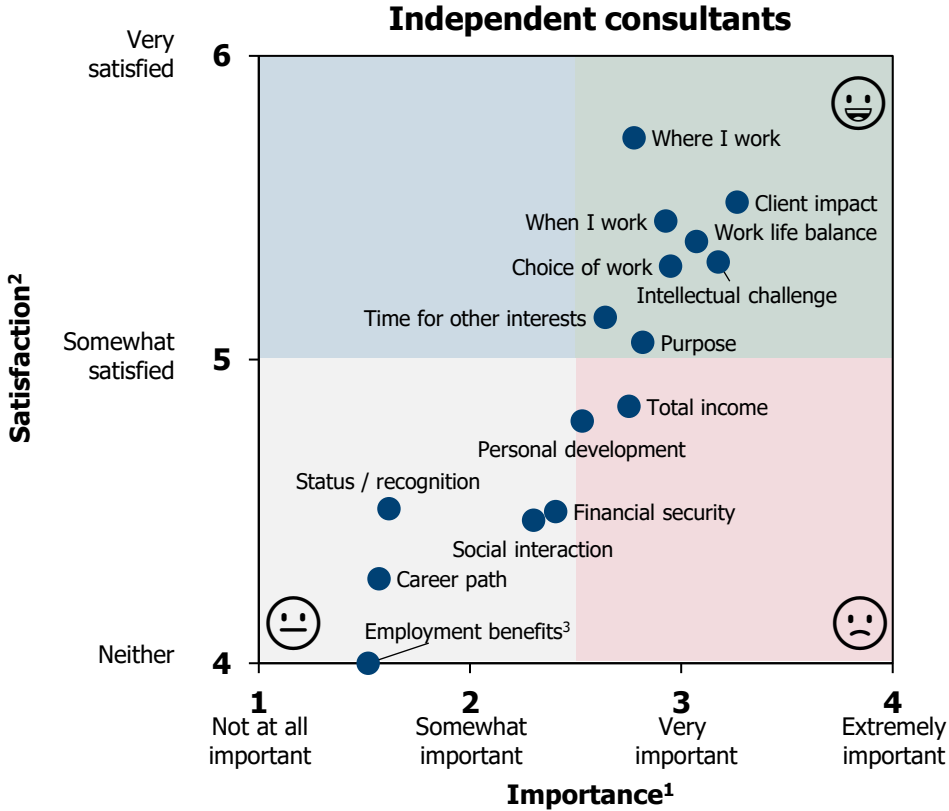


Under 40s, n=28, Over 40s, n=186; Women, n=36; Men, n=178; Note: 1) Scored on a 1-7 scale where 1&2 =Very/extremely dissatisfied, 3 = Somewhat dissatisfied, 4 = Neither satisfied or dissatisfied, 5 = Somewhat satisfied, 6&7 = Extremely/very satisfied

Source: Eden McCallum & LBS Consultant Survey 2022 - Q17: In general, how SATISFIED are you with your current professional life?

ICs make clear choices about what matters to them, while employed consultants view everything as important, but are not highly satisfied on many important factors

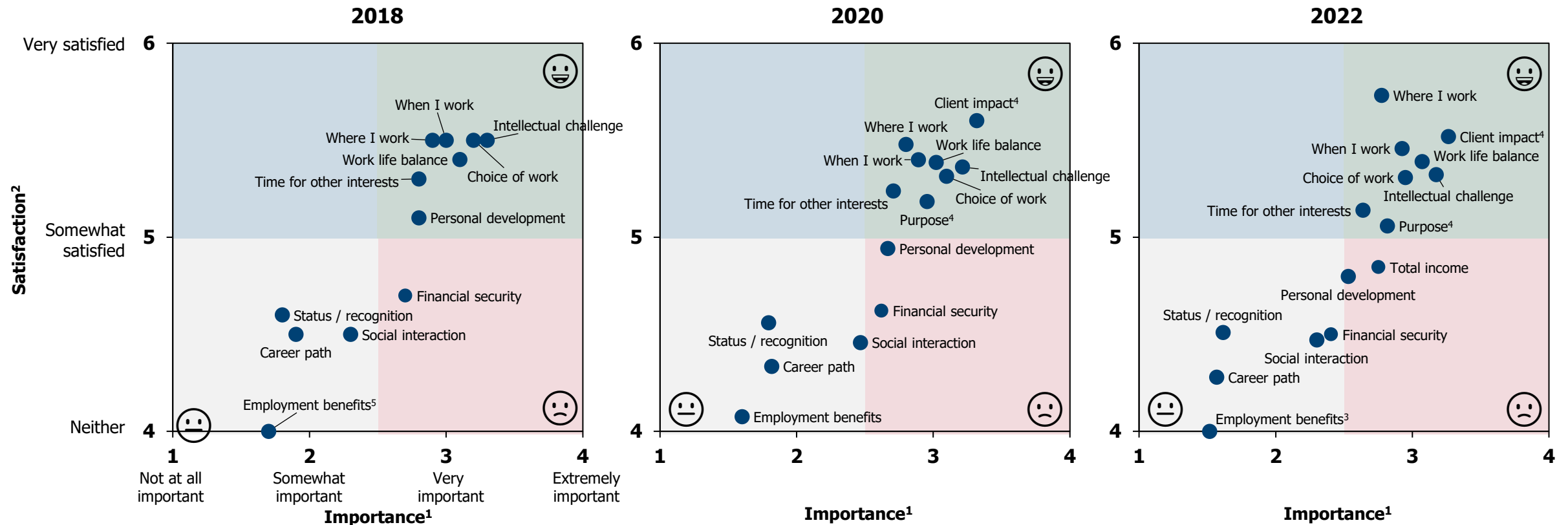
IMPORTANCE OF AND SATISFACTION WITH CAREER FACTORS – INDEPENDENT VS EMPLOYED CONSULTANTS



IC, n=213; EC, n=87 Note: 1) Scored on a 1-4 scale where 1 = Not at all important and 4 = Extremely important, an average score was taken; 2) Scored on a 1-7 scale where 1&2 = Very/extremely dissatisfied, 3 = Somewhat dissatisfied, 4 = Neither satisfied or dissatisfied, 5 = Somewhat satisfied, 6&7 = Extremely/very satisfied, an average score was taken; 3) Employment benefits satisfaction score is 3.85
 Source: Eden McCallum & LBS Consultant Survey 2022 - Q18, QB6.1: At this stage of your career, how IMPORTANT are the following factors to you?; Q19, QB6.2: Thinking about the same factors, how SATISFIED are you with your work as an independent consultant?

ICs perceptions of career factors' importance and satisfaction have remained broadly similar over time, with clear choices about what matters and doesn't

IMPORTANCE OF AND SATISFACTION WITH CAREER FACTORS OVER TIME – INDEPENDENT CONSULTANTS



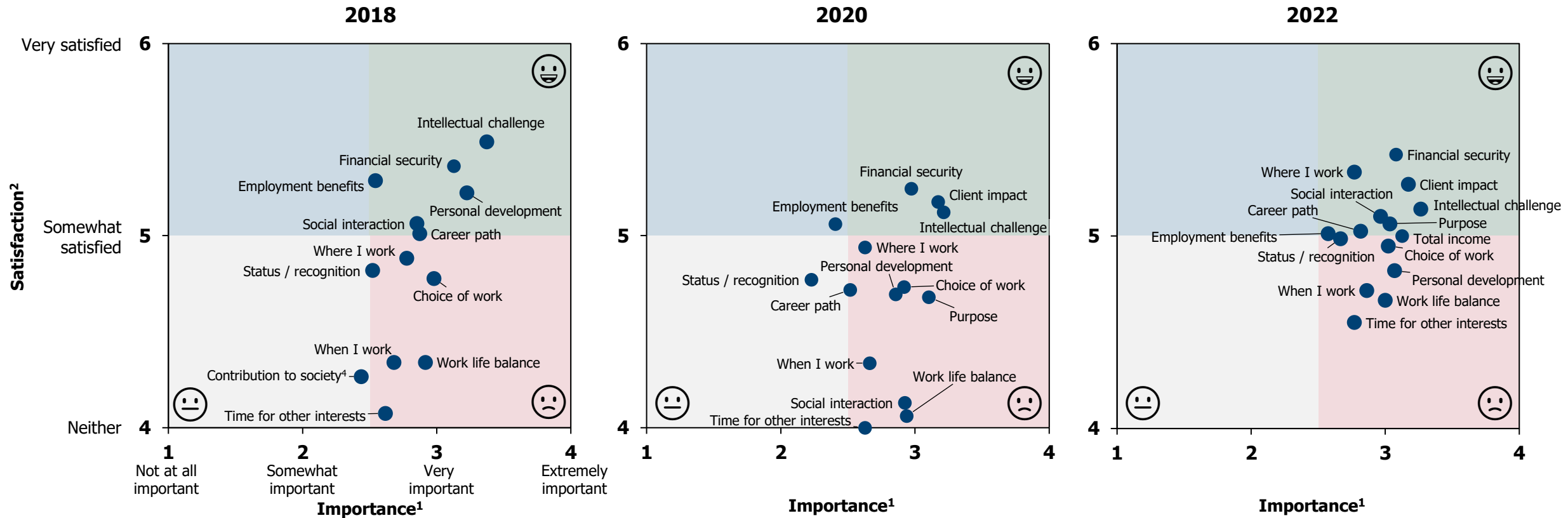
Note: 1) Scored on a 1-4 scale where 1 = Not at all important and 4 = Extremely important, an average score was taken; 2) Scored on a 1-7 scale where 1&2 = Very/extremely dissatisfied, 3 = Somewhat dissatisfied, 4 = Neither satisfied or dissatisfied, 5 = Somewhat satisfied, 6&7 = Extremely/very satisfied, an average score was taken; 3) 2018 employment benefits satisfaction score was 3.8 4) Purpose and client impact were introduced in 2020, thus is not on 2018 matrix 5) 2021 employment benefits satisfaction score is 3.85.

Source: Eden McCallum & LBS Consultant Survey 2022, 2020, 2018 - Q18: At this stage of your career, how IMPORTANT are the following factors to you?; Q19: Thinking about the same factors, how SATISFIED are you with your work as an independent consultant?

'Financial security' was divided into 'financial security (steadiness of income)' and 'total income' in 2022

Employed consultants see all factors as important; their satisfaction with control over their work and work-life balance has improved with post-Covid remote working

IMPORTANCE OF AND SATISFACTION WITH CAREER FACTORS OVER TIME – EMPLOYED CONSULTANTS



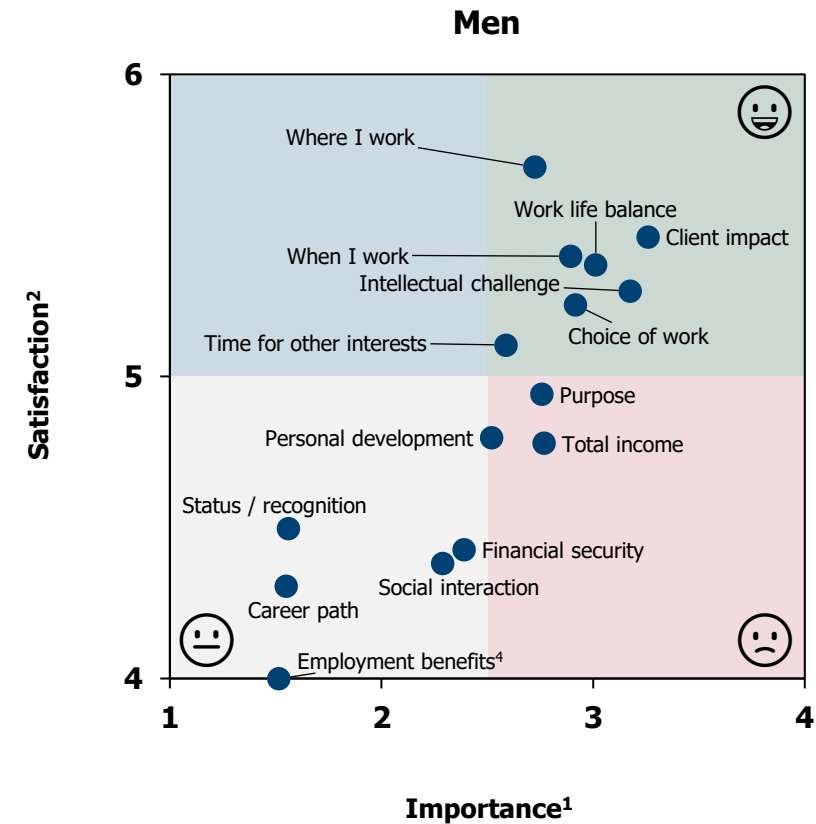
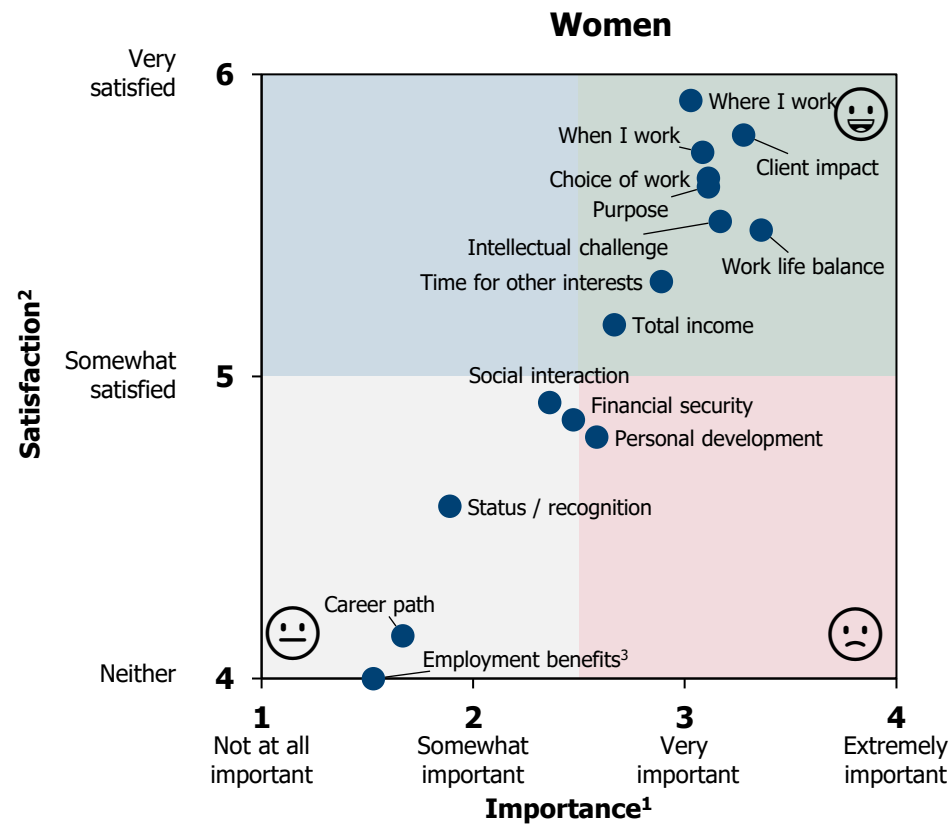
2022: n=87; 2020: n=131; Note: 1) Scored on a 1-4 scale where 1 = Not at all important and 4 = Extremely important, an average score was taken; 2) Scored on a 1-7 scale where 1&2 = Very/extremely dissatisfied, 3 = Somewhat dissatisfied, 4 = Neither satisfied or dissatisfied, 5 = Somewhat satisfied, 6&7 = Extremely/very satisfied, an average score was taken;

Source: Eden McCallum & LBS Consultant Survey 2022, 2020, 2018 - Q18: At this stage of your career, how IMPORTANT are the following factors to you?; Q19: Thinking about the same factors, how SATISFIED are you with your work as an employed consultant?

'Financial security' was divided into 'financial security (steadiness of income)' and 'total income' in 2022

Female ICs are generally more satisfied than male ICs, particularly with the most important factors in their careers

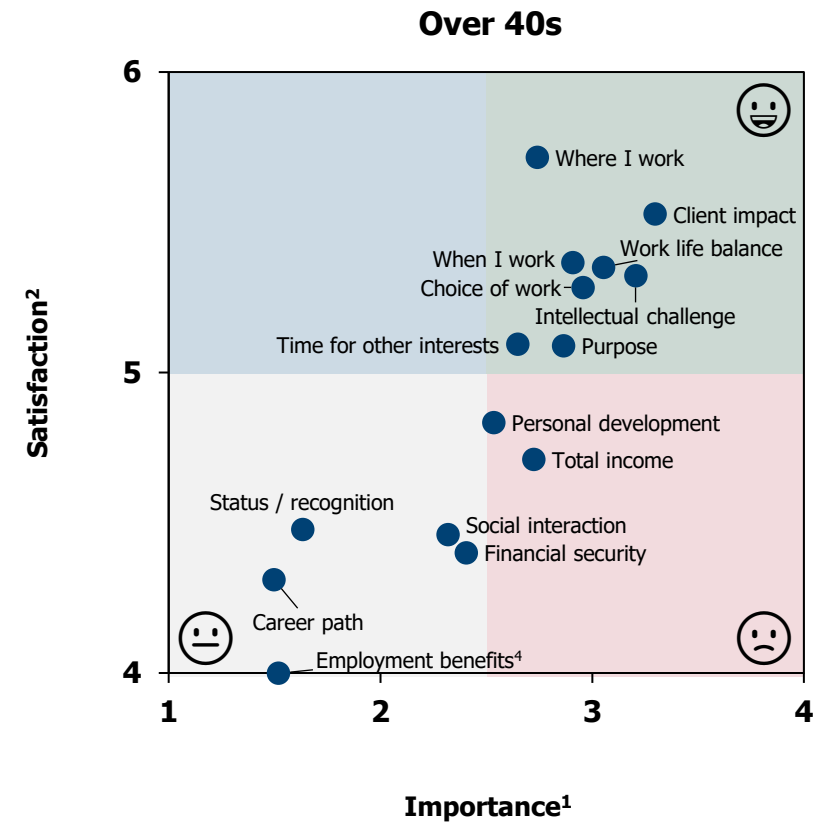
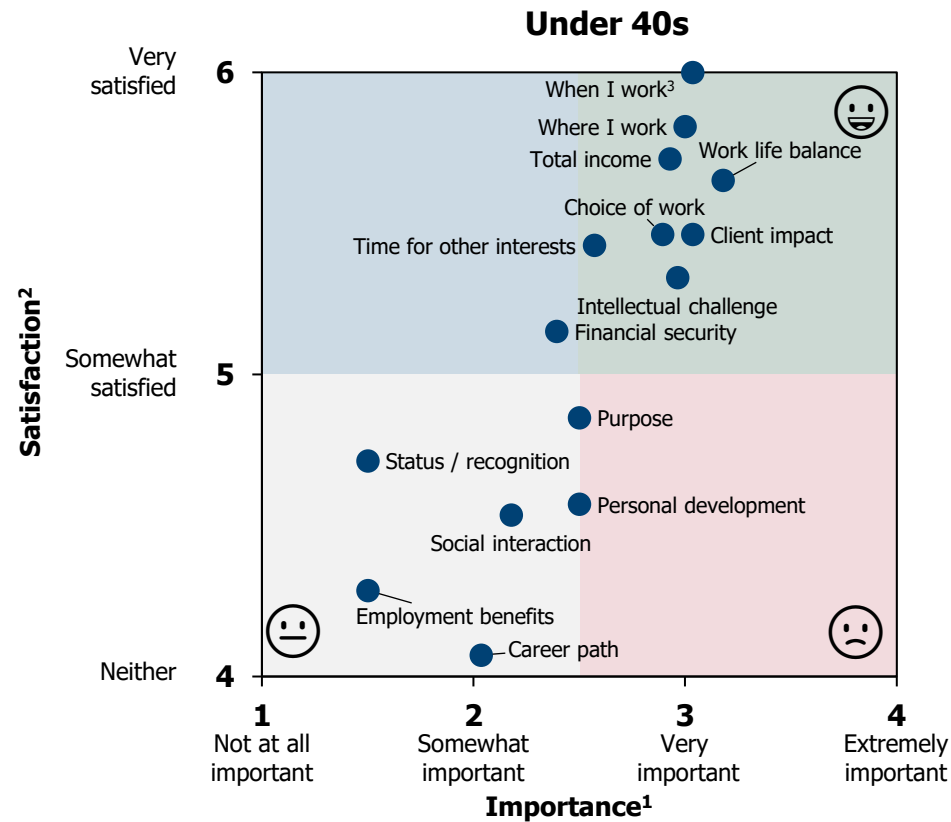
IMPORTANCE OF AND SATISFACTION WITH CAREER FACTORS – INDEPENDENT CONSULTANTS BY GENDER



Women, n=36; Men, n=177; Note: 1) Scored on a 1-4 scale where 1 = Not at all important and 4 = Extremely important, an average score was taken; 2) Scored on a 1-7 scale where 1&2 = Very/extremely dissatisfied, 3 = Somewhat dissatisfied, 4 = Neither satisfied or dissatisfied, 5 = Somewhat satisfied, 6&7 = Extremely/very satisfied, an average score was taken; 3) Employment benefits satisfaction score is 3.91; 4) Employment benefits satisfaction score is 3.92
 Source: Eden McCallum & LBS Consultant Survey 2022 - Q18: At this stage of your career, how IMPORTANT are the following factors to you?; Q19: Thinking about the same factors, how SATISFIED are you with your work as an independent consultant?

ICs under 40 are generally more satisfied than over 40s across the range of career factors, particularly those that are most important to them

IMPORTANCE OF AND SATISFACTION WITH CAREER FACTORS – INDEPENDENT CONSULTANTS BY AGE

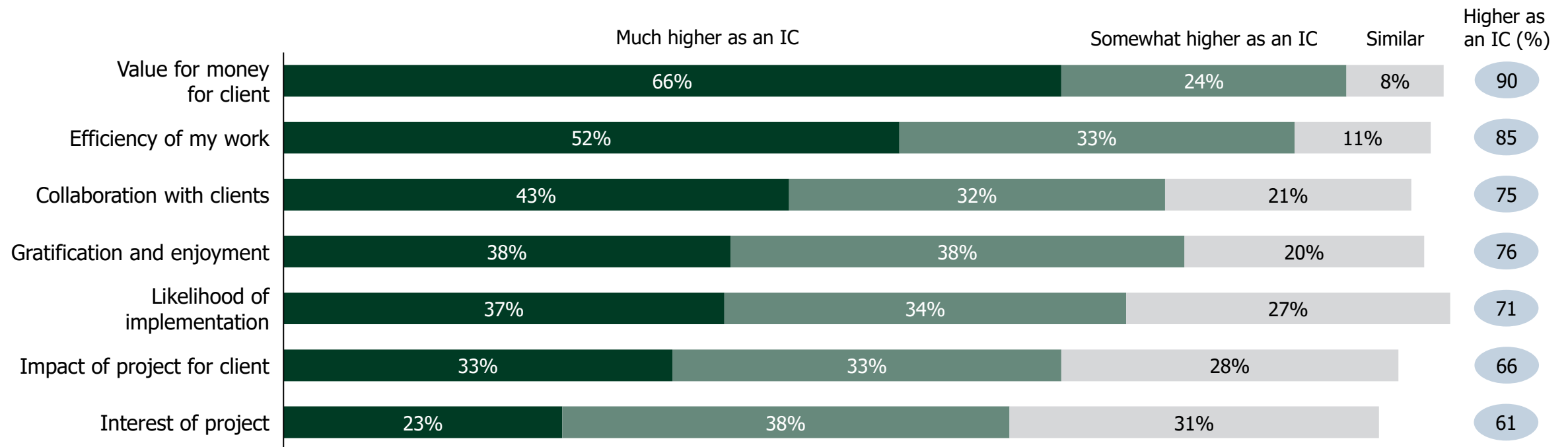


Under 40s, n=28; Over 40s, n=185; Note: 1) Scored on a 1-4 scale where 1 = Not at all important and 4 = Extremely important, an average score was taken; 2) Scored on a 1-7 scale where 1&2 = Very/extremely dissatisfied, 3 = Somewhat dissatisfied, 4 = Neither satisfied or dissatisfied, 5 = Somewhat satisfied, 6&7 = Extremely/very satisfied, an average score was taken; 3) Flexibility on when I work score is 6.035; 4) Employment benefits satisfaction score is 3.86

Source: Eden McCallum & LBS Consultant Survey 2022 - Q18: At this stage of your career, how IMPORTANT are the following factors to you?; Q19: Thinking about the same factors, how SATISFIED are you with your work as an independent consultant?

90% of ICs believe that their work provides better value for money than traditional consulting, and the vast majority also believe their work is more efficient, collaborative, gratifying, higher impact, and more likely to be implemented

RATING OF PROJECT WORK AS AN INDEPENDENT CONSULTANT VS WHEN EMPLOYED



N=183; Note: 1) Participants could answer on a scale of 1-5 where 1 = Much lower now, 2 = Somewhat lower now, 3 = Neither higher nor lower, 4 = Somewhat higher now, 5 = Much higher now, excluding those who answered n/a 2) Net score (%) = percentage of much higher and somewhat higher minus percentage of somewhat lower and much lower
 Source: Eden McCallum & LBS Consultant Survey 2022 – Q26: Comparing your project work as an independent consultant NOW with your project work when you were employed in a traditional consulting firm, how would you rate the following factors?

Contents

Overview

Demand for consulting work

Current ICs: days worked and rates

Comparing career satisfaction across groups

Independent consulting as a career

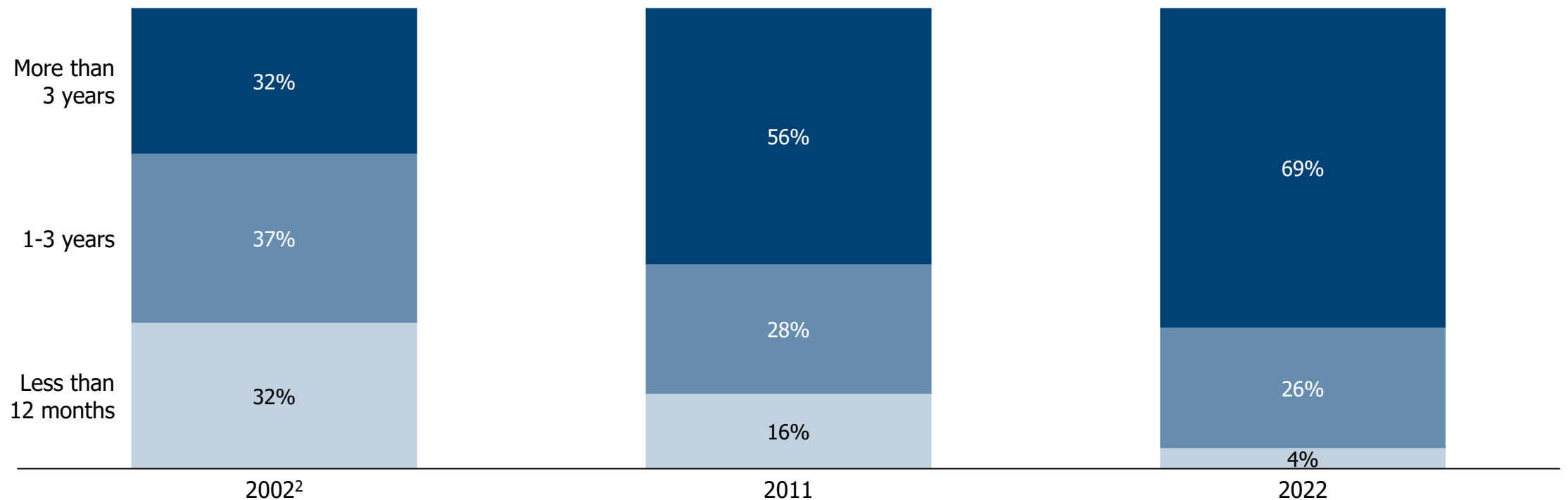
Comparing ways of working

Sample details



Over the past 20 years, Independent Consulting has become a viable long-term career choice

EXPECTED YEARS AS AN INDEPENDENT CONSULTANT – 2002 TO 2022

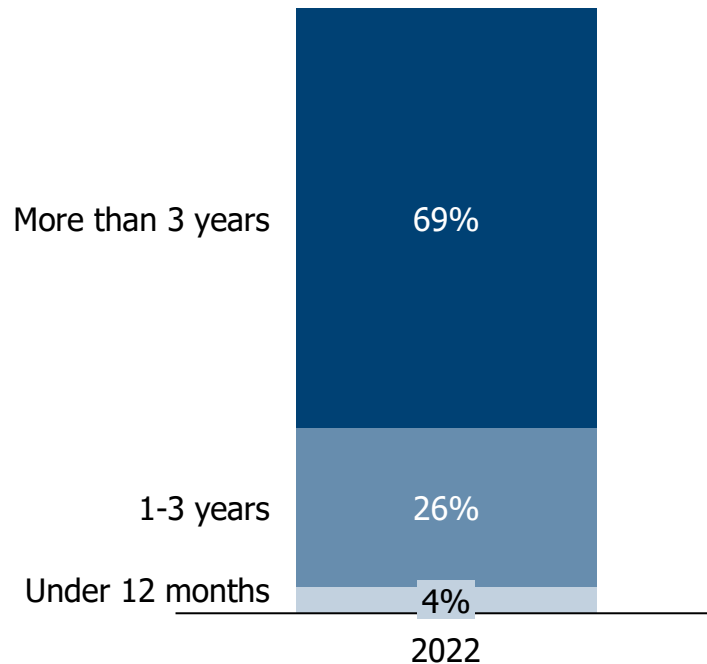


2002, n= N/A, 2011, n=246; 2022, n=207; Note: 1) Excluding respondents who answered 'I don't know'; 2) 2002 results taken from the Eden McCallum internal consultant survey
Source: Eden McCallum & LBS Consultant Survey 2022 - Q24: How long do you intend to remain an independent consultant?

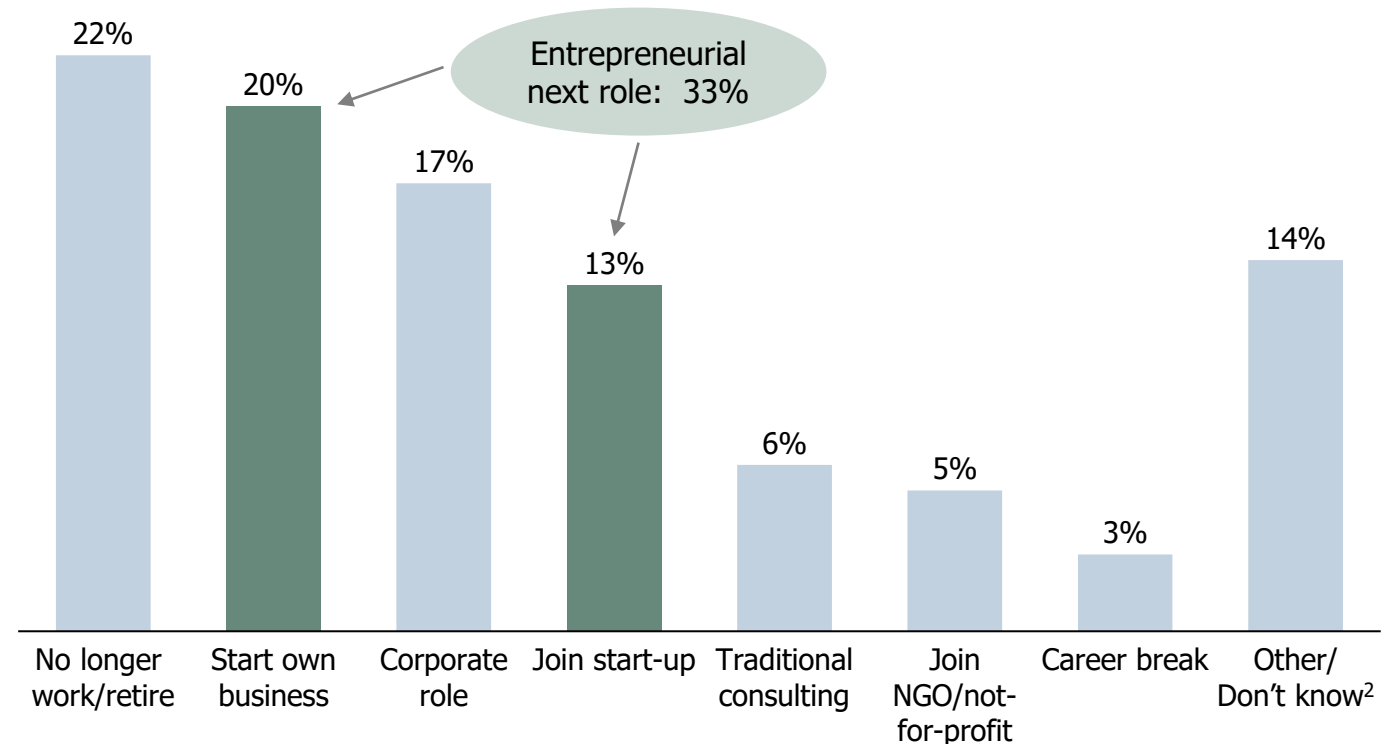
Over two-thirds of ICs expect to remain independent for at least 3 years; if they were to leave, a third would do something entrepreneurial; only 6% would return to a traditional consulting firm

FUTURE INTENTIONS OF INDEPENDENT CONSULTANTS

Years intending to remain an independent consultant¹



Potential next career move after independent consulting

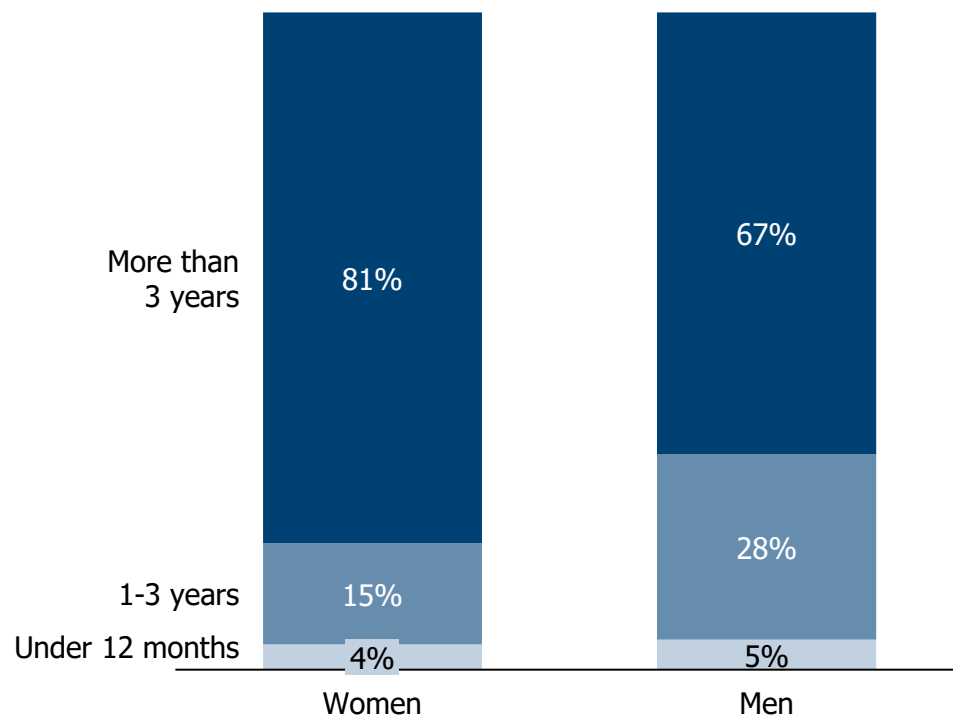


n=207; Note: 1) Excluding 39 respondents who answered 'don't know'; 2) Other includes academia, coaching, cognitive behavioural therapy, personal investing, PE firm, politics, public services, writer
 Source: Eden McCallum & LBS Consultant Survey 2022 - Q24: How long do you intend to remain an independent consultant?; Q25: If you were to stop being an independent consultant, what would you be most likely to do?

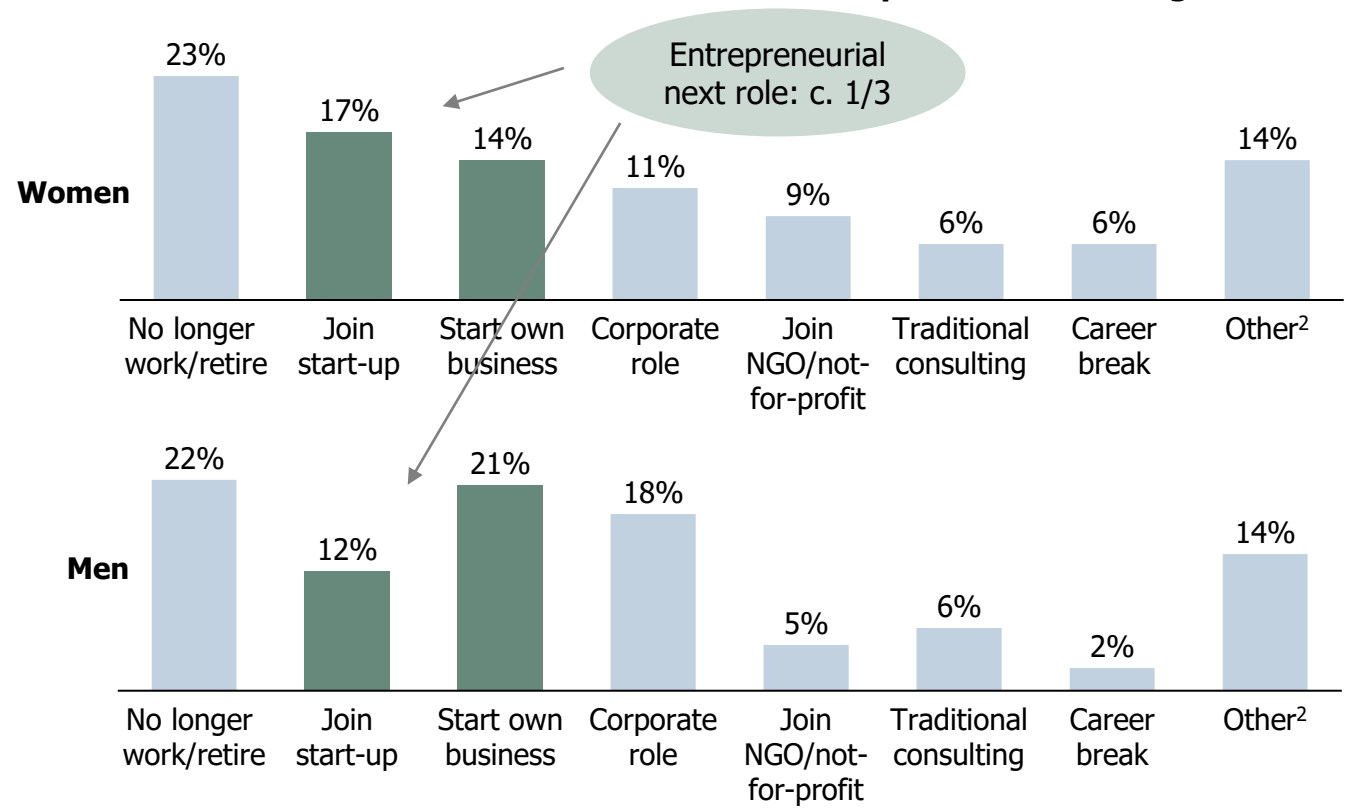
Women are more likely than men to remain ICs for 3+ years; if they leave independent consulting, both women and men are most likely to do something entrepreneurial or stop working

FUTURE INTENTIONS OF INDEPENDENT CONSULTANTS – BY GENDER

Years intending to remain an independent consultant¹



Potential next career move after independent consulting



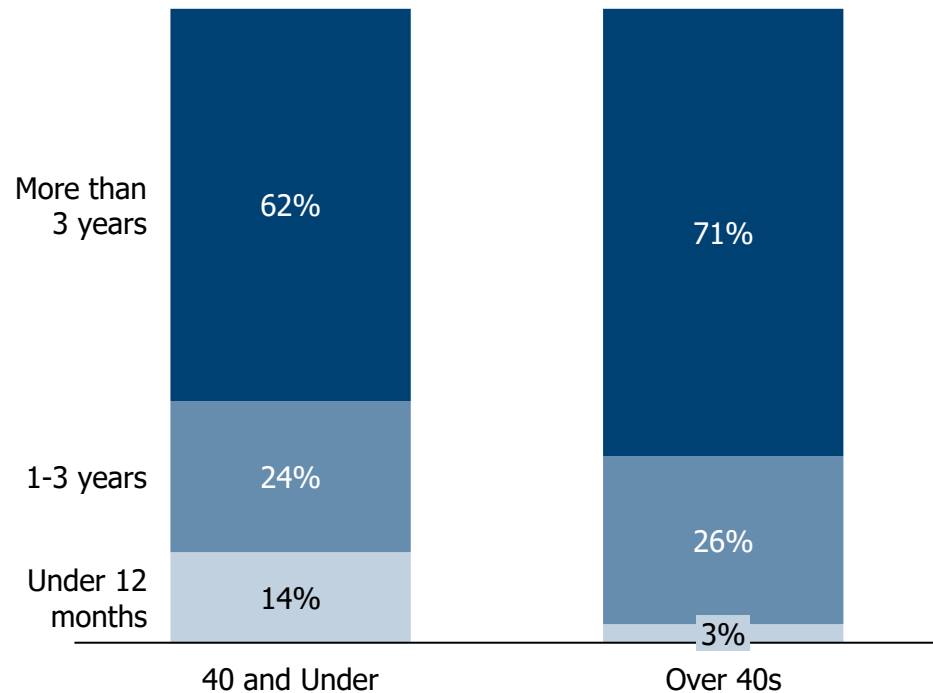
Women, n=35; Men, n=172; Note: 1) Excluding 9 female and 41 male respondents who answered 'I don't know' 2) Other includes academia, coaching, cognitive behavioural therapy, don't know, driving instructor, musician, NED, not-for profit, personal investing, PE firm, politics, public services, writer

Source: Eden McCallum & LBS Consultant Survey 2022 - Q24: How long do you intend to remain an independent consultant?; Q25: If you were to stop being an independent consultant, what would you be most likely to do?

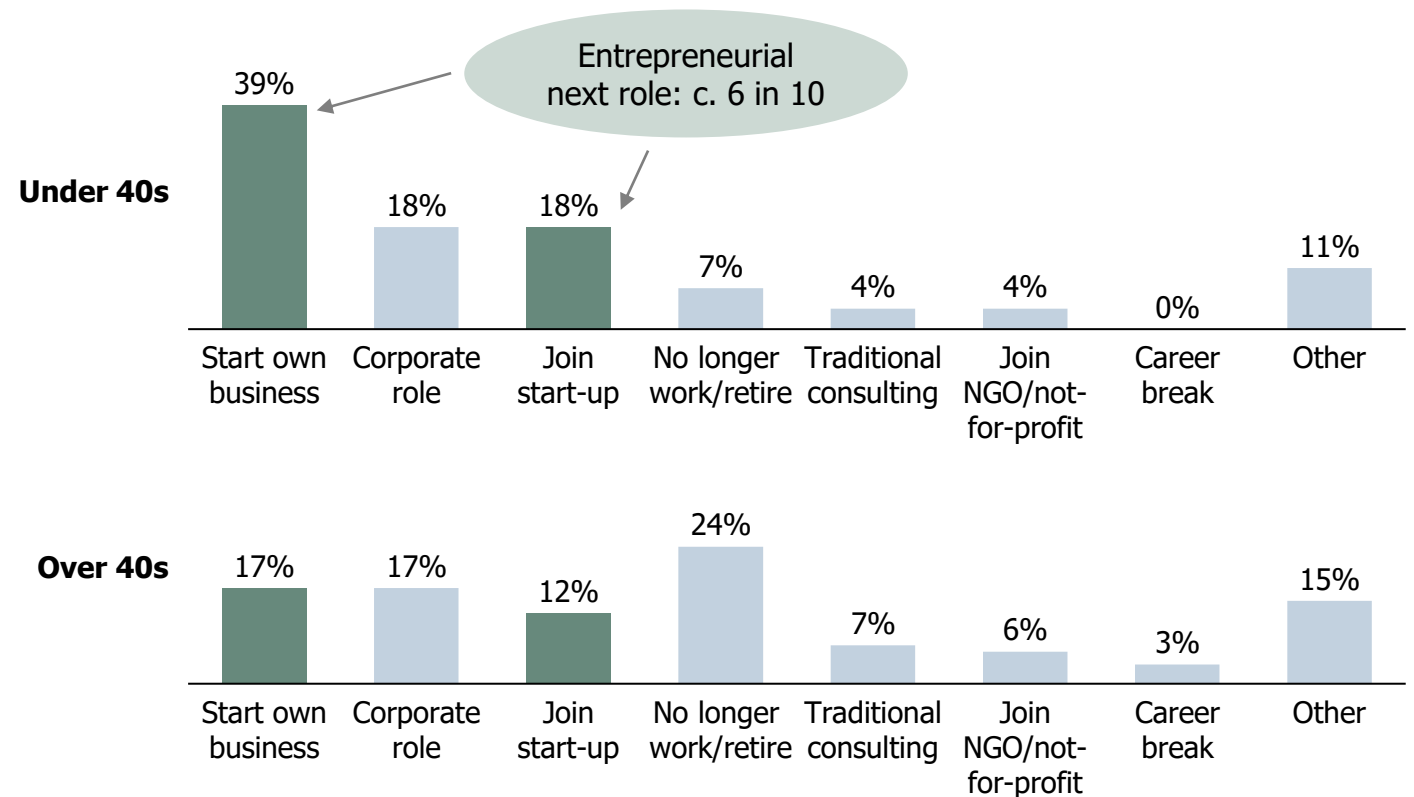
Over 40s are likely to remain independent for longer than Under 40s; if they leave, 6 in 10 Under 40s will do something entrepreneurial

FUTURE INTENTIONS OF INDEPENDENT CONSULTANTS – BY AGE

Years intending to remain an independent consultant¹



Potential next career move after independent consulting



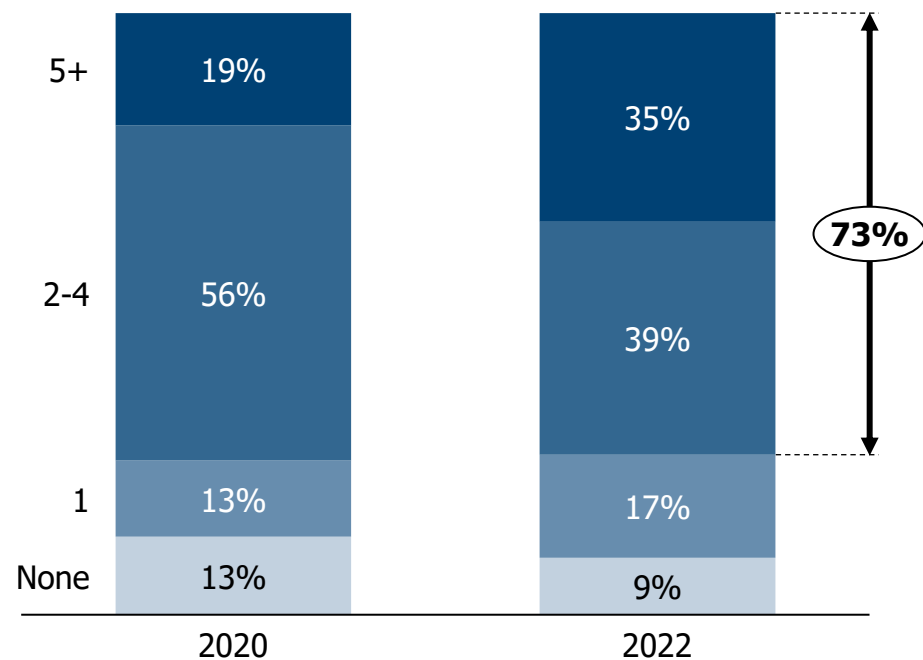
40 and Under, n=28; Over 40s, n=179; Note: 1) Excluding 7 40 and Under and 43 Over 40s respondents who answered 'don't know'; 2) Other includes academia, coaching, cognitive behavioural therapy, don't know, driving instructor, musician, not-for profit, personal investing, PE firm, politics, public services, writer

Source: Eden McCallum & LBS Consultant Survey 2022 - Q24: How long do you intend to remain an independent consultant?; Q25: If you were to stop being an independent consultant, what would you be most likely to do?

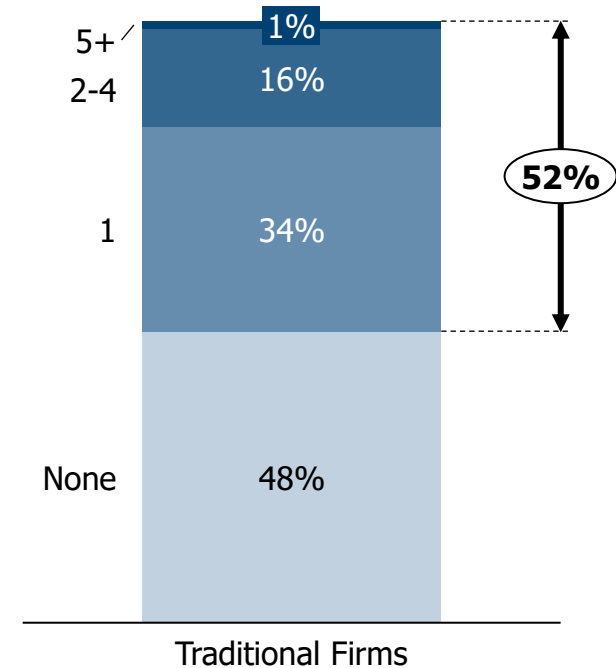
Three-quarters of independent consultants are signed-up to 2 or more 3rd party firms; over a third are signed up to 5 or more; and more than half are signed-up to at least one traditional firm for freelance work

NUMBER OF 3RD PARTY OR TRADITIONAL FIRMS ICS ARE SIGNED-UP TO

Number of 3rd party firms signed-up with



Number of traditional firms signed-up with



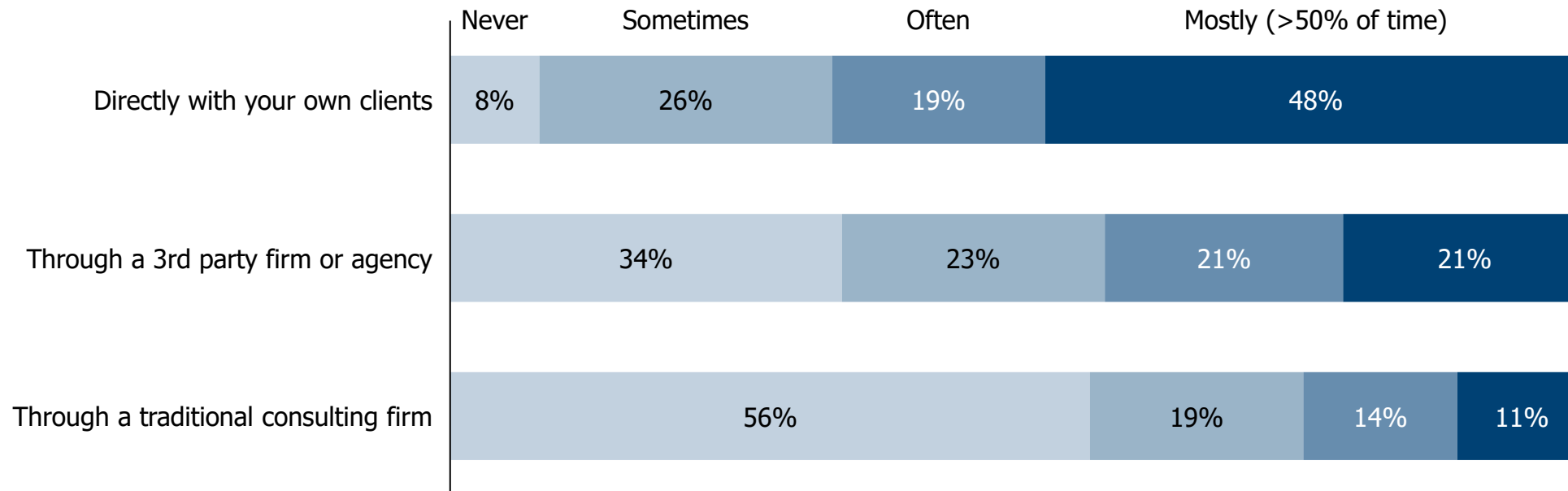
2022: n= 222, 2020: n= 332

Source: Eden McCallum & LBS Consultant Survey 2022 – Q7: Which 3rd party firms or agencies (companies that connect freelancers with project work) are you signed up with? Please tick all that apply. Q8: Which traditional consulting firms are you signed up with? Please tick all that apply.

ICs source their work from a mix of direct clients, 3rd party firms and traditional consulting firms

SOURCES OF WORK FOR INDEPENDENT CONSULTANTS (%)

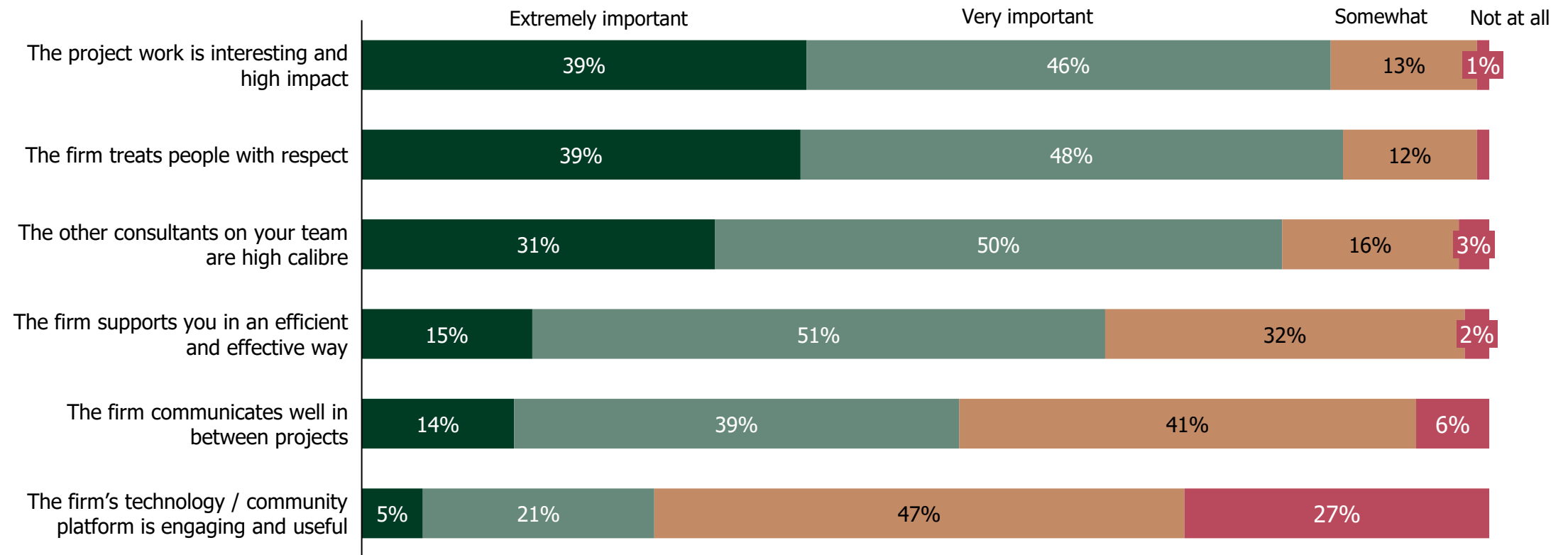
Proportion of work undertaken by source¹



n = 229 Note: 1) Excludes "Other". Frequency is specified as . Frequency is specified as Never, Sometimes (less than 20% of my time), Often (between 20 and 50% of my time), mostly (more than 50% of my time)
 Source: Eden McCallum & LBS Consultant Survey 2022 – Q5: Still thinking about your billable time as an independent consultant, but about the last two years, how often have you worked on projects directly with our own clients, Through a 3rd party firm or agency that connects freelancers with project work, Through a traditional consulting firm as a freelancer (previous employer or other), Other

When considering work through third party firms and traditional consulting firms the most important factors are interesting and high impact project work, respectful treatment of people, and a high calibre team

IMPORTANCE OF FACTORS FOR INDEPENDENT CONSULTANTS

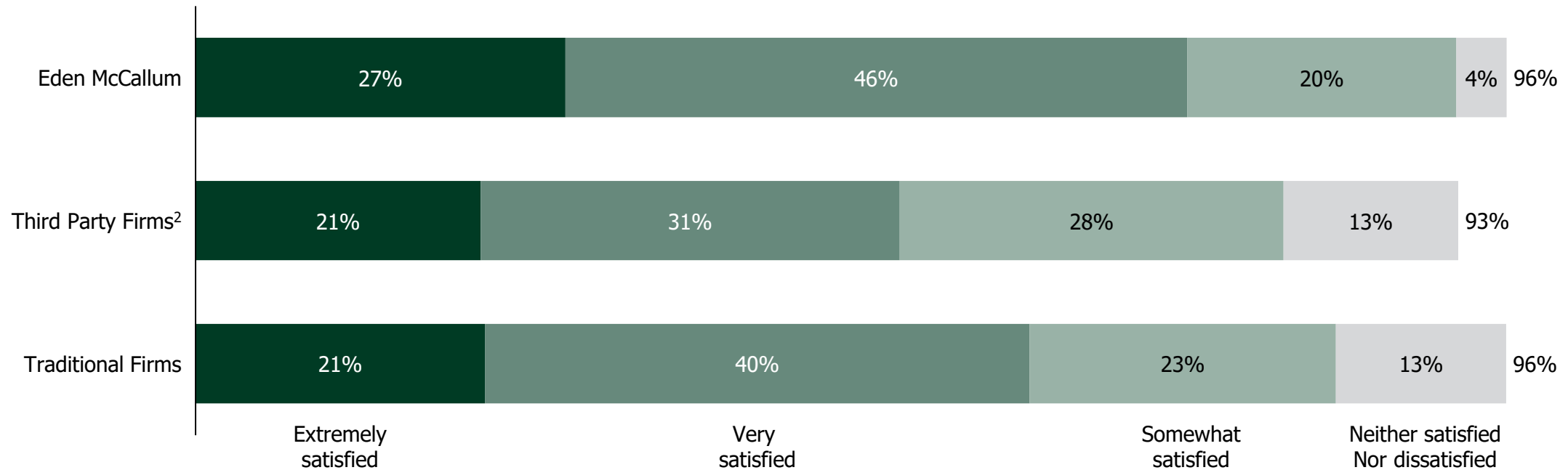


n=185

Source: Eden McCallum & LBS Consultant Survey 2022 – Q30.1: When thinking about the third parties (agencies or traditional firms) with which you do consulting projects, how IMPORTANT are the following factors to you?

ICs have high satisfaction with Eden McCallum, but are marginally more satisfied with the traditional firms than 3rd party firms generally

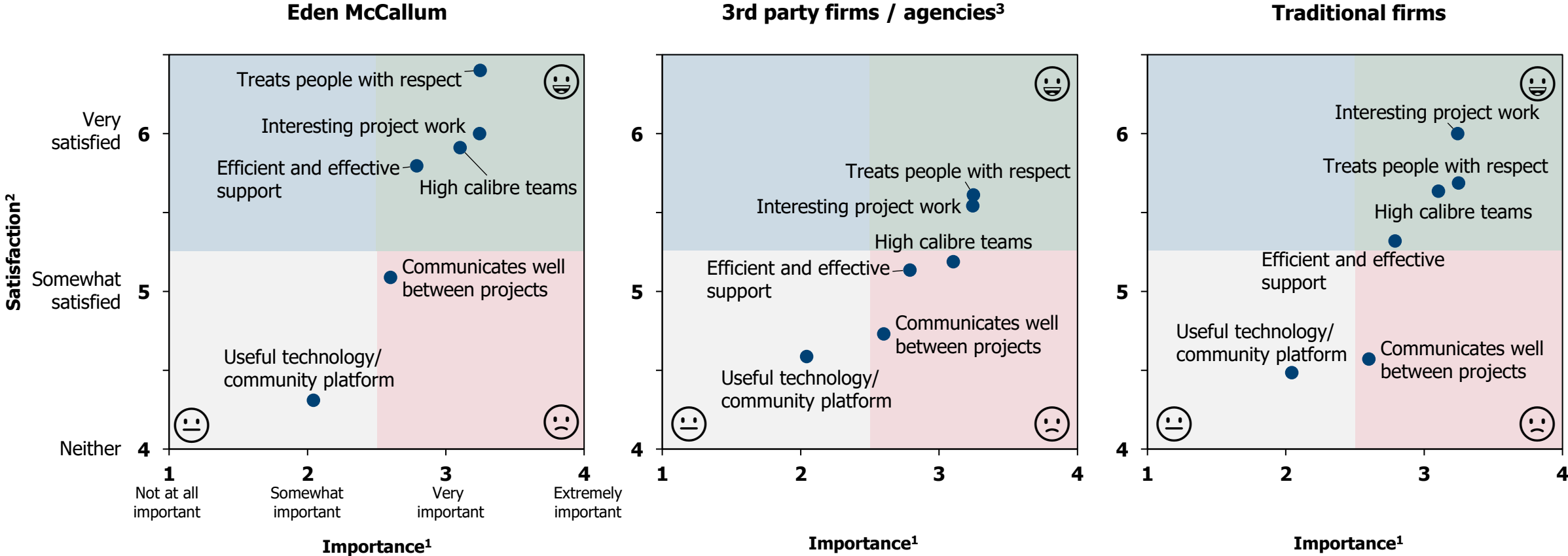
OVERALL SATISFACTION OF EXPERIENCE WORKING WITH 3RD PARTIES AND TRADITIONAL FIRMS¹



n (total ratings) = 314; Notes: 1) only includes ratings from consultants who have worked with firms in the past two years. Aggregates the average of all firms in each category; 2) includes Eden McCallum
Source: Eden McCallum & LBS Consultant Survey 2022 – Q30: Overall, how satisfied were you with the experience of working as an independent consultant / contractor in each case?

Eden McCallum is rated highly on the things that matter most to ICs – treating people with respect, interesting projects and high calibre teams

IMPORTANCE AND DRIVERS OF SATISFACTION



Significant engagement, n=54; Limited or repeat, n=27; Note: 1) Scored on a 1-4 scale where 1 = Not at all important and 4 = Extremely important, an average score was taken across all ICs who responded; 2) Scored on a 1-7 scale where 1&2 = Very/extremely dissatisfied, 3 = Somewhat dissatisfied, 4 = Neither satisfied or dissatisfied, 5 = Somewhat satisfied, 6&7 = Extremely/very satisfied, an average score was taken; 3) includes Eden McCallum
 Source: Eden McCallum & LBS Consultant Survey 2022 - Q18, QB6.1: At this stage of your career, how IMPORTANT are the following factors to you?; Q19, QB6.2: Thinking about the same factors, how SATISFIED are you with your work as an independent consultant?

Contents

Overview

Demand for consulting work

Current ICs: days worked and rates

Comparing career satisfaction across groups

Independent consulting as a career

Comparing ways of working

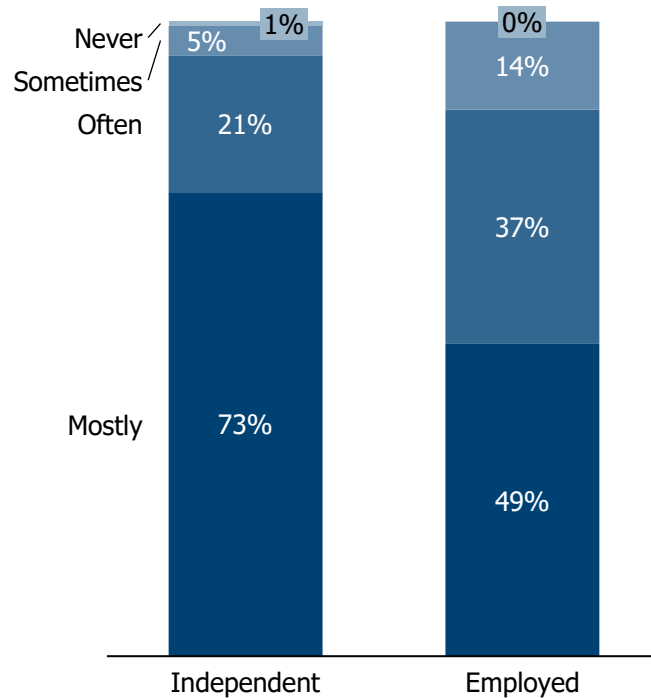
Sample details



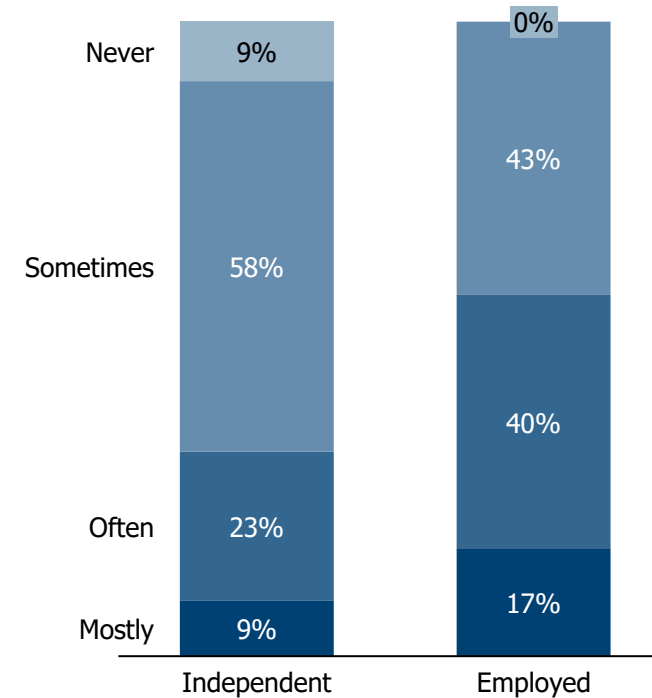
73% of ICs work remotely most of the time, compared to 49% of employed consultants; very few of either group are working mostly onsite

WORKING PATTERNS OF INDEPENDENT AND EMPLOYED CONSULTANTS

Time Spent Working Remotely¹



Time Spent Working Onsite (with clients/colleagues)¹



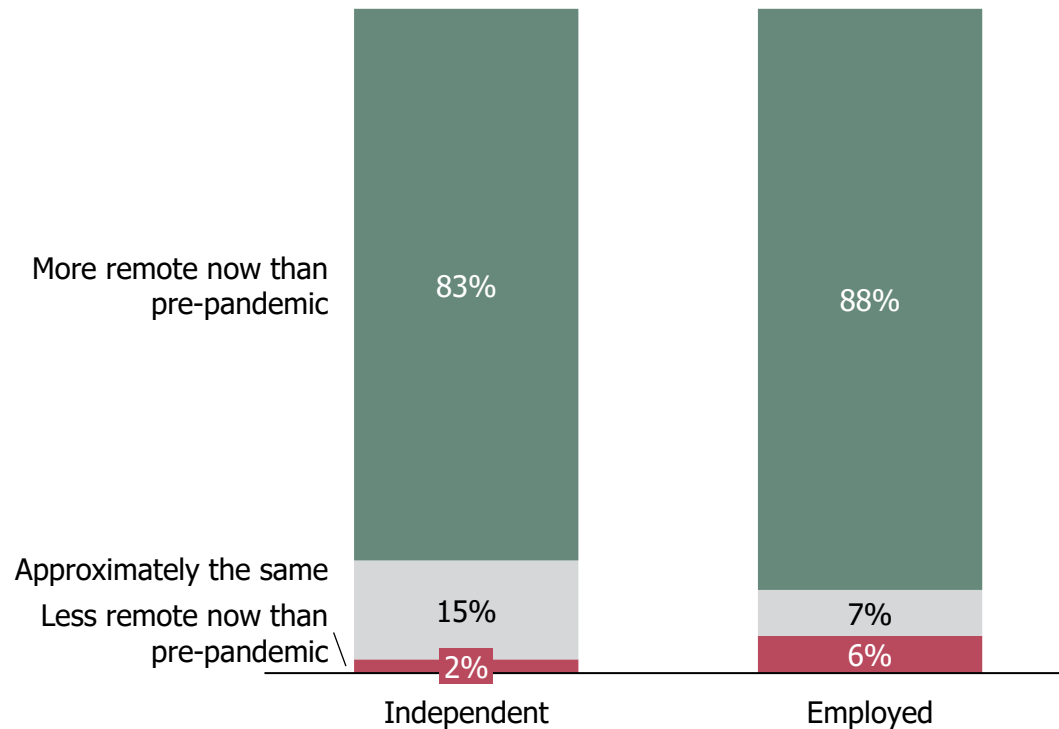
Note: 1) Defined as: mostly: >60% of time, Often: 20-60% of time, Sometimes: <20% time

Source: Eden McCallum & LBS Consultant Survey 2022 – Q32: Now thinking about the different possible ways of working, on average over the last year, what proportion of time have you spent working in each of the following ways?

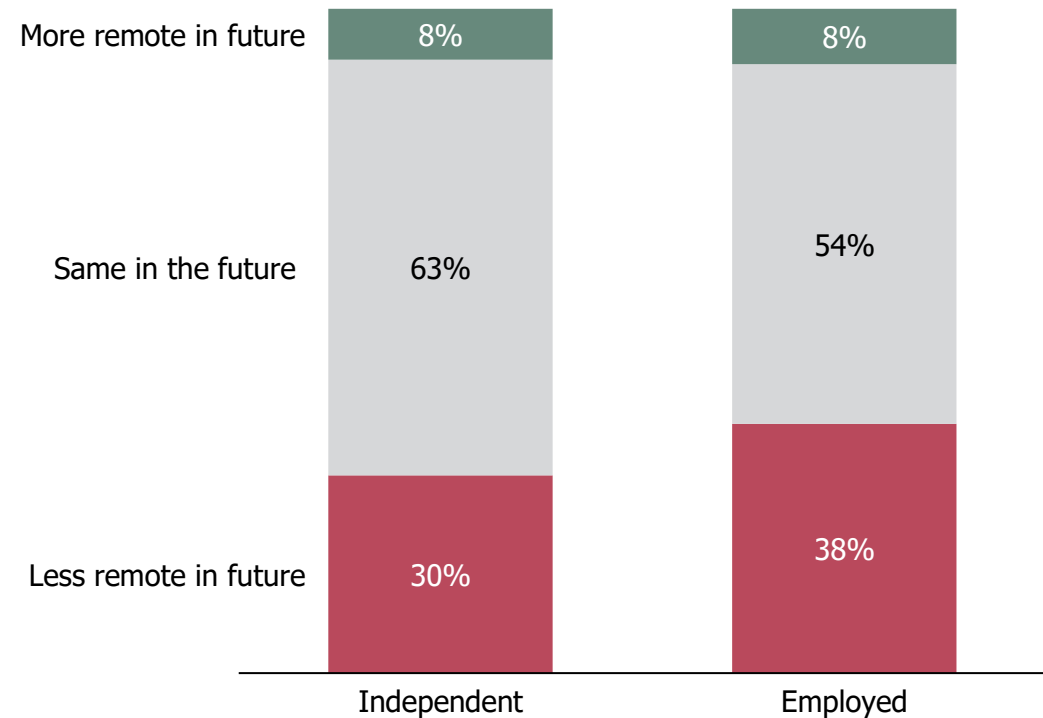
83% of ICs work remotely more now than before the pandemic, compared to 88% of employed consultants, and more employed consultants expect to work remotely less in future

CHANGE IN PROPORTION OF REMOTE WORK SINCE BEFORE THE PANDEMIC

Change in remote work compared to pre-pandemic¹



Expectations for remote work in future¹

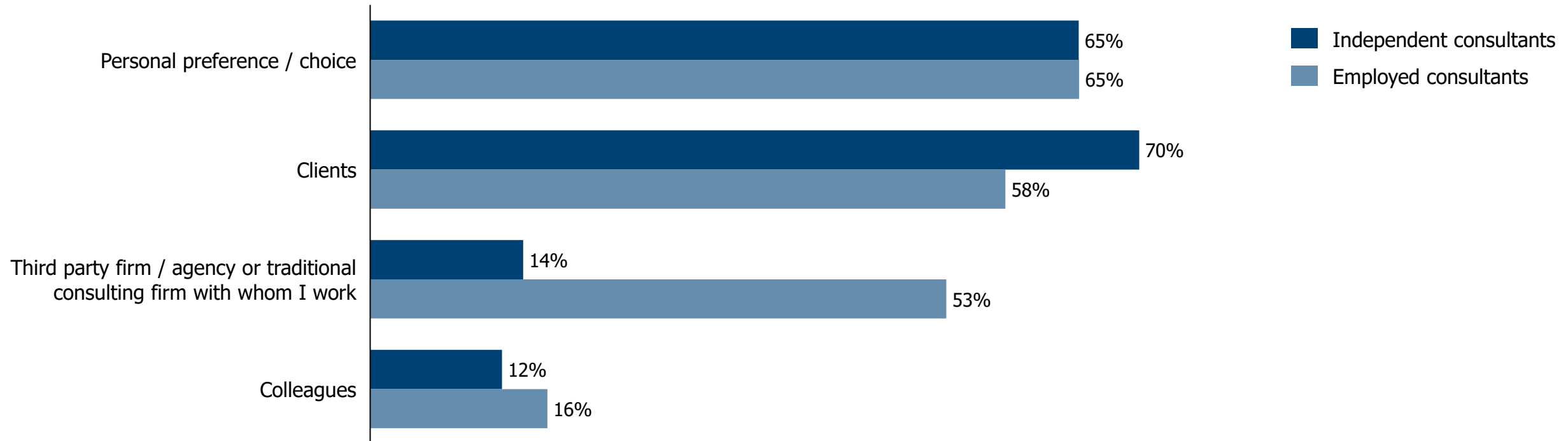


Independent: n = 195; employed: n=72; Note: 1) Excludes Not sure/ don't know / not relevant responses

Source: Eden McCallum & LBS Consultant Survey 2022 - Q33: Is this different to the proportion of time you worked remotely before the pandemic? & Eden McCallum Office Workers' Survey August 2022: Have the number of days you work from home in an average week changed compared to before the Covid-19 pandemic?; Q34: Do you expect this to be different in the future?

IC ways of working are more client driven than employed consultants, for whom their own firm is a significant factor; both groups are highly driven by personal preference

PARTIES DRIVING DECISIONS ON CURRENT WORKING PATTERNS

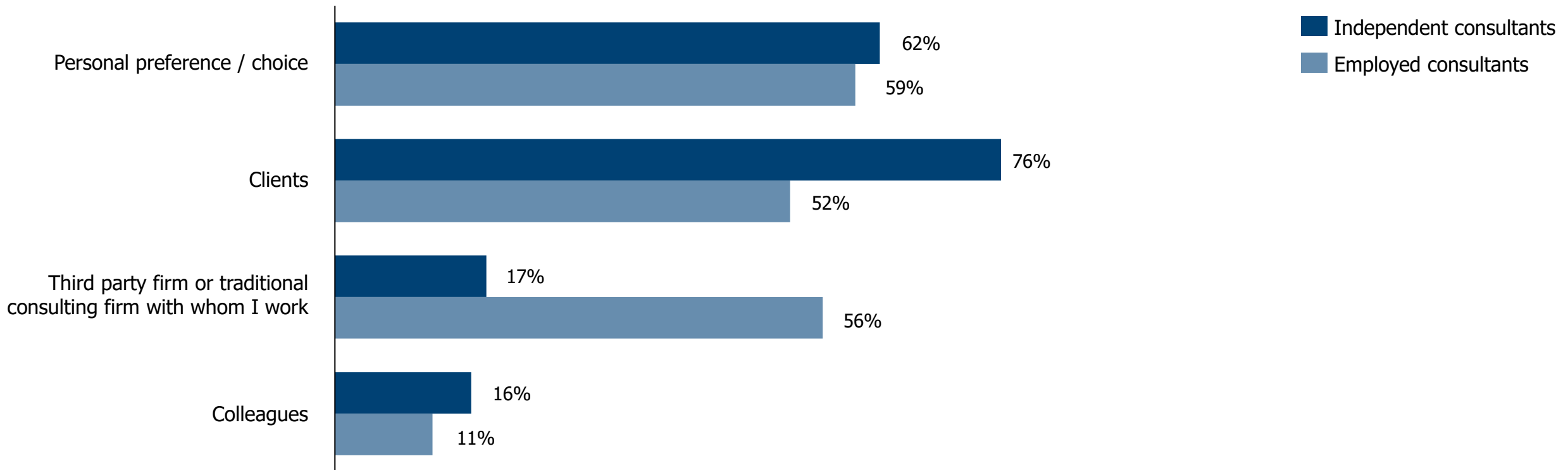


Independent: n = 197; employed: n = 74

Source: Eden McCallum & LBS Consultant Survey 2022 – Q35: who is driving that decision? & Q36: In your view, what is the main reason driving that decision?

Independent consultants who expect to work less remotely in the future are largely driven by clients, while employed consultants are heavily influenced by their firms; personal preference is important for both groups

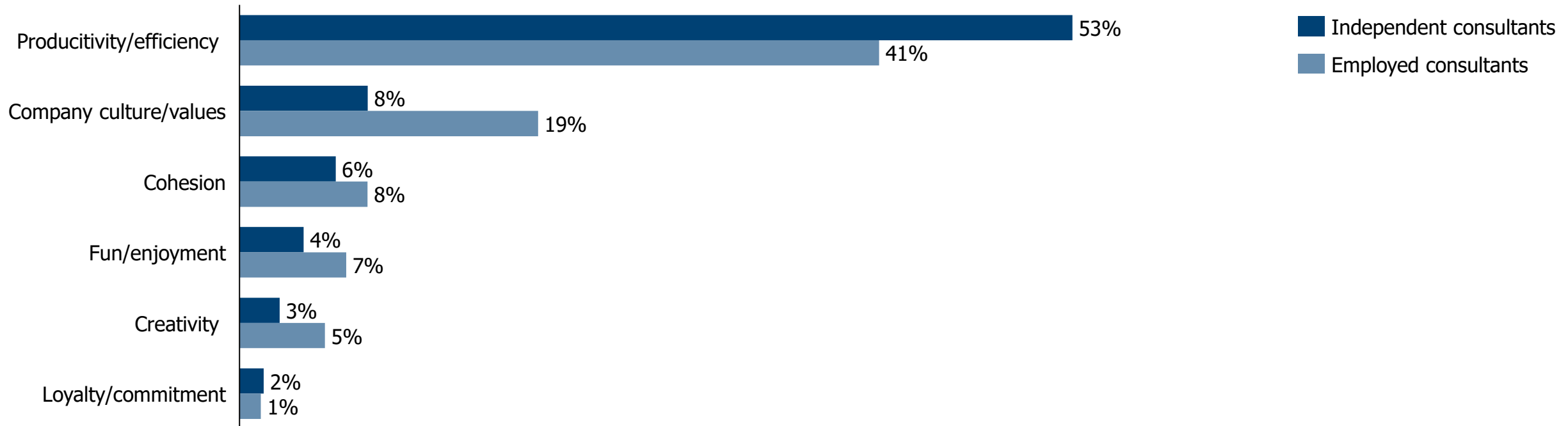
PARTIES DRIVING DECISIONS ON WORKING PATTERNS – CONSULTANTS EXPECTING TO WORK **LESS** REMOTELY IN FUTURE



Independent: n = 197; employed: n = 74; Note: 1) consultants expecting to work remotely more have been excluded due to low n's
Source: Eden McCallum & LBS Consultant Survey 2022 – Q35: who is driving that decision

Both ICs and traditional consultants believe the most important factor driving working patterns is productivity/efficiency

REASONS DRIVING WORKING PATTERNS



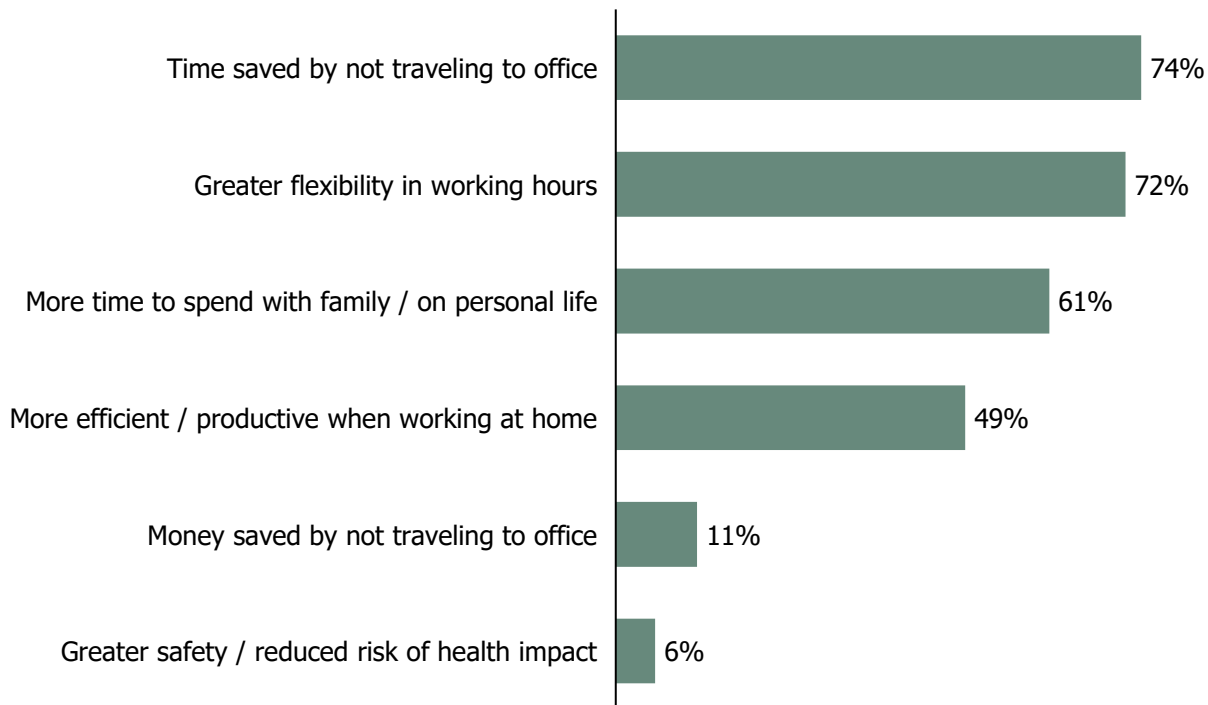
Independent: n = 197; employed: n = 74

Source: Eden McCallum & LBS Consultant Survey 2022 – Q36: In your view, what is the main reason driving that decision?

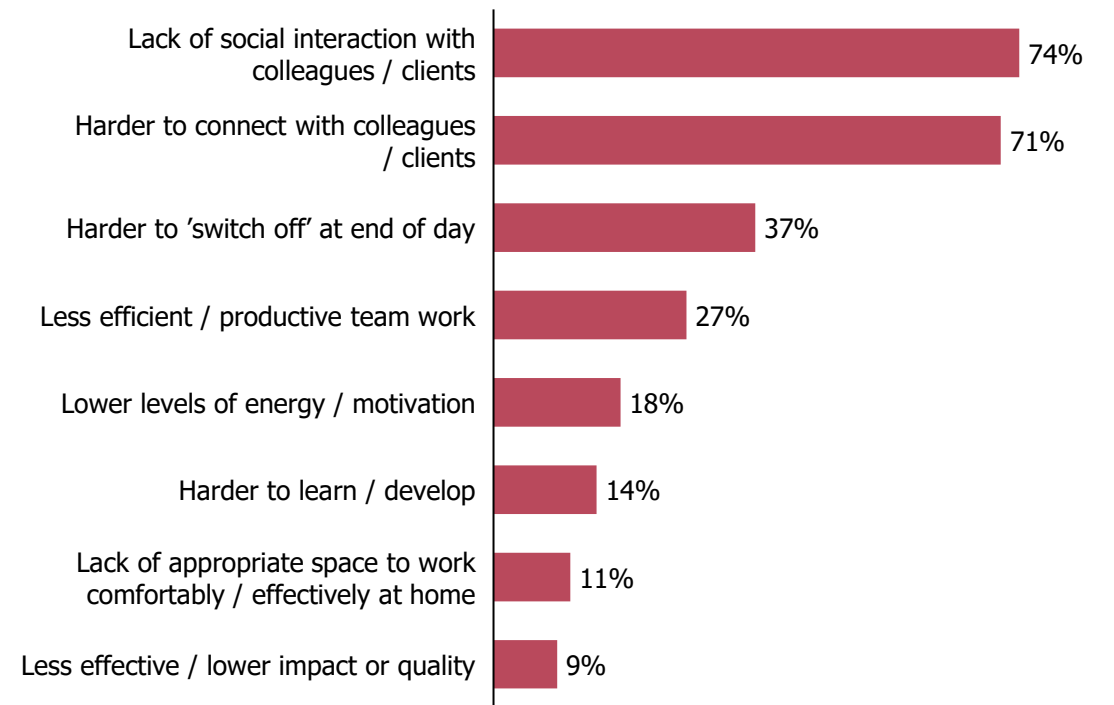
The top 3 benefits that consultants cite from WFH are related to time saving / flexibility; the top 2 downsides are related to reduced social contact

BENEFITS AND DOWNSIDES OF WORKING FROM HOME – ALL CONSULTANTS

Benefits of working from home



Downsides of working from home



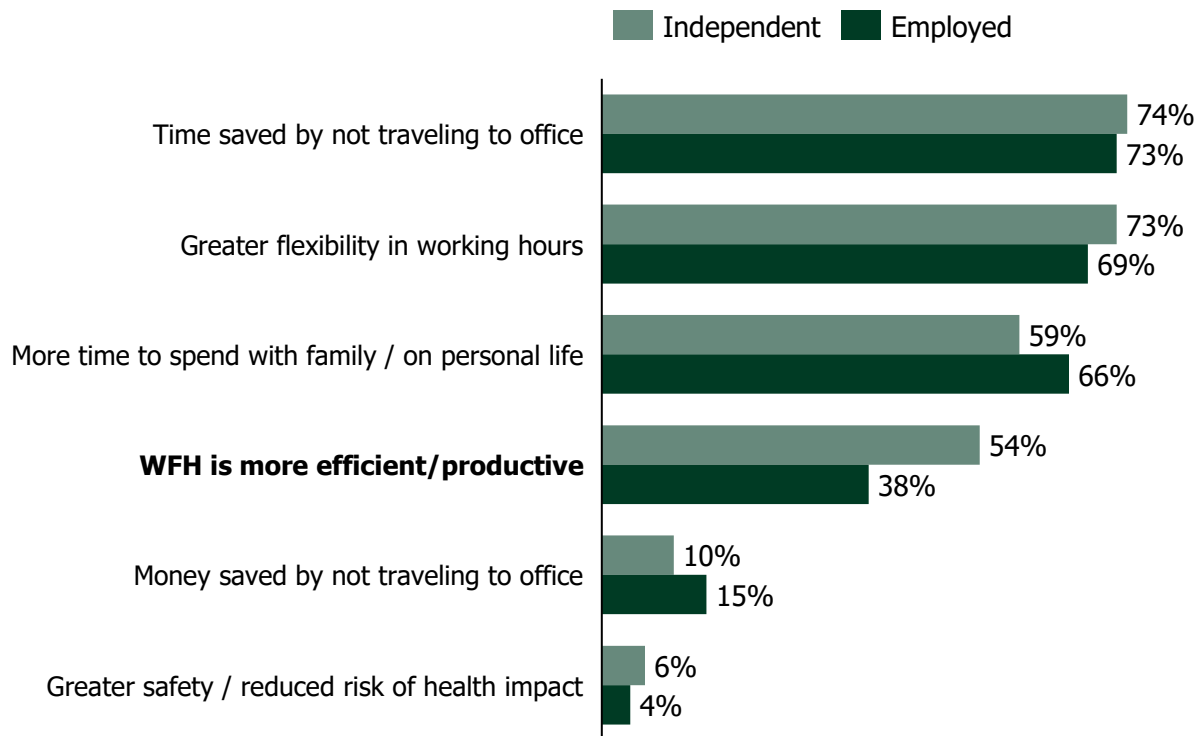
All consultants: n = 270

Source: Eden McCallum & LBS Consultant Survey 2022 – Q37: what do you consider to be the top 3 benefits of working from home? & Q38: what do you consider to be the top 3 downsides of working from home?

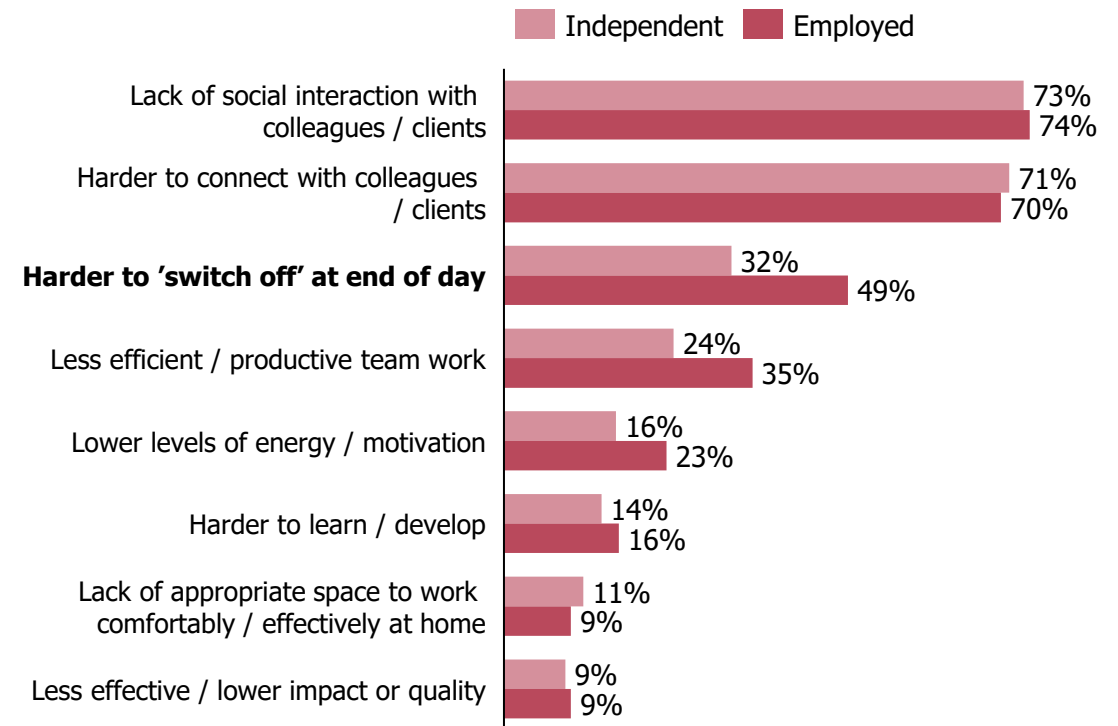
While perceptions of benefits and downsides of WFH are largely similar, ICs are more likely to see WFH as more productive whilst employed consultants find it harder to switch off at the end of the day

BENEFITS & DOWNSIDES OF WORKING FROM HOME

Benefits of working from home



Downsides of working from home



Independent: n = 196; employed: n = 74

Source: Eden McCallum & LBS Consultant Survey 2022 – Q37: what do you consider to be the top 3 benefits of working from home? & Q38: what do you consider to be the top 3 downsides of working from home?

Contents

Overview

Demand for consulting work

Current ICs: days worked and rates

Comparing career satisfaction across groups

Independent consulting as a career

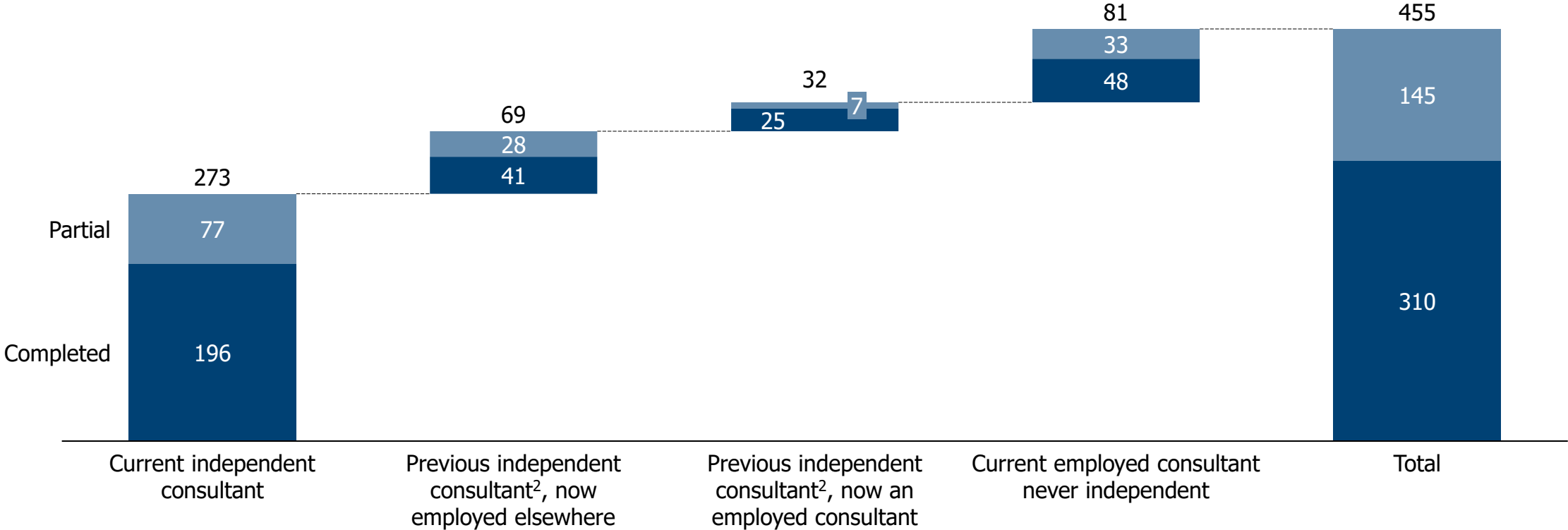
Comparing ways of working

Sample details



Survey respondents grouped by professional experience

NUMBER OF SURVEY RESPONDENTS DISPLAYED BY GROUP¹



Note: 1) Including qualified and partial completes; 2) Only those who had been an independent consultant in the last 5 years were included
 Source: Eden McCallum & LBS Consultant Survey 2022; QD: Have you ever been a management consultant?; QD1: As a management consultant, have you ever been independent, freelance or self-employed?; QD2: When you worked as a management consultant, have you ever been independent, freelance, or self-employed?

Respondents by gender and geography

SAMPLE BY GENDER AND GEOGRAPHY¹: INDEPENDENT CONSULTANTS (QUESTIONNAIRE A)²

	Europe	USA	RoW	Total
Men	193 (71%)	10 (4%)	16 (6%)	219 (80%)
Women	44 (16%)	7 (3%)	2 (1%)	53 (19%)
Total	238⁴ (87%)	17 (6%)	18 (7%)	273⁵ (100%)

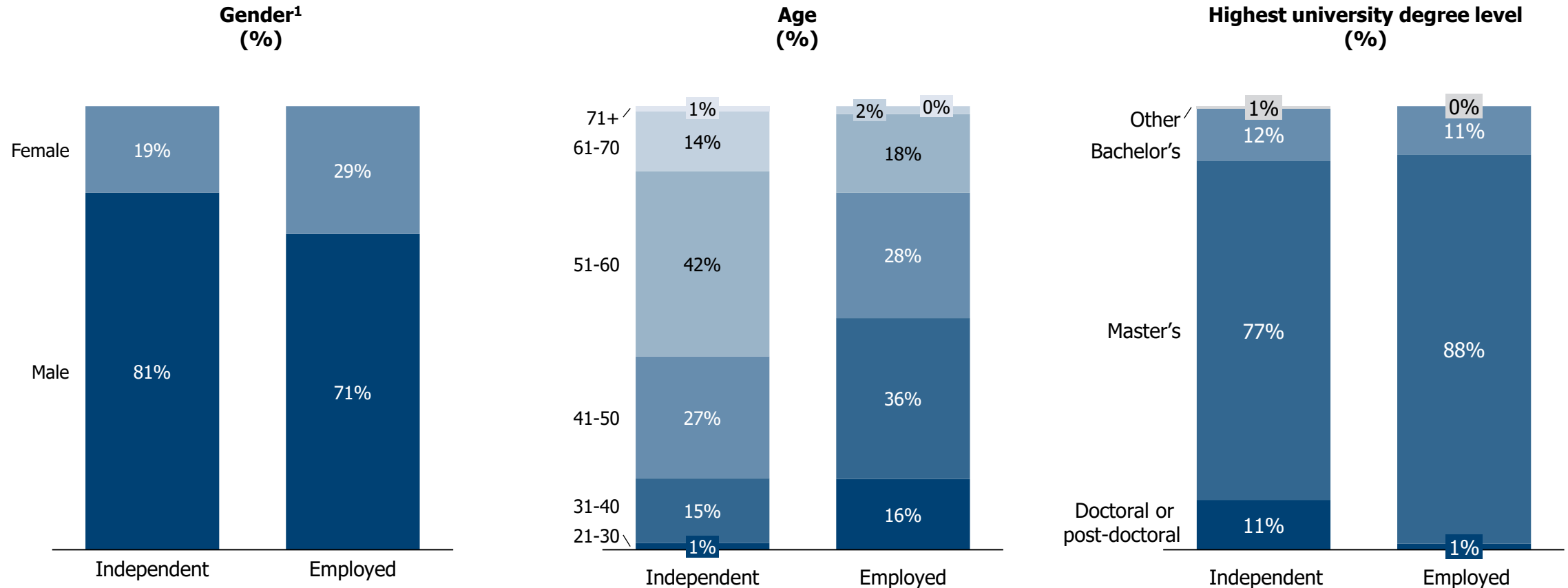
SAMPLE BY GENDER AND GEOGRAPHY¹: EMPLOYED CONSULTANTS (QUESTIONNAIRE B)³

	Europe	USA	RoW	Total
Men	53 (47%)	16 (14%)	10 (9%)	79 (70%)
Women	23 (20%)	6 (5%)	3 (3%)	32 (28%)
Total	77⁴ (68%)	22 (19%)	14⁴ (12%)	113⁵ (100%)

The survey was conducted from 25th November to 20th December 2022 via an online questionnaire

Note: 1) Including qualified and partial completes; 2) Questionnaire A was completed by those currently working as an independent consultant; 3) Questionnaire B was completed by those who were independent consultants in the last 5 years and those who have always been an employed management consultant. Individuals who are now working in employment outside of consulting have been excluded from this table; 4) Includes respondents who preferred not to state their gender; 5) Total n's (including those who answered prefer not to say): Questionnaire A:273, Questionnaire B:113
Source: Eden McCallum & LBS Consultant Survey 2022; QA What is your gender; QB How old are you?

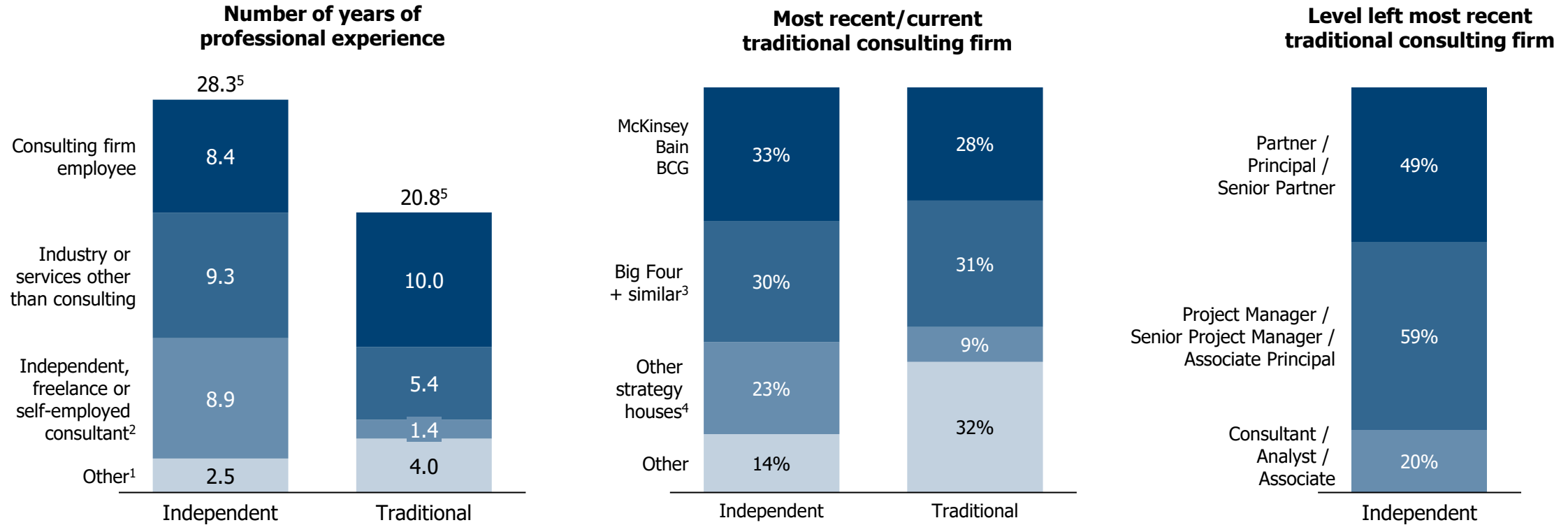
Key demographics



IC: n=196; EC: n=73. Note: 1) Excluding those who answered 'prefer not to say'; 2) Excluding one respondent who answered 'Other'

Source: Eden McCallum & LBS Consultant Survey 2022 - QA: What is your gender?; QB: How old are you?; QC: Where do you live?; Q40: What is the highest level of education that you have completed?

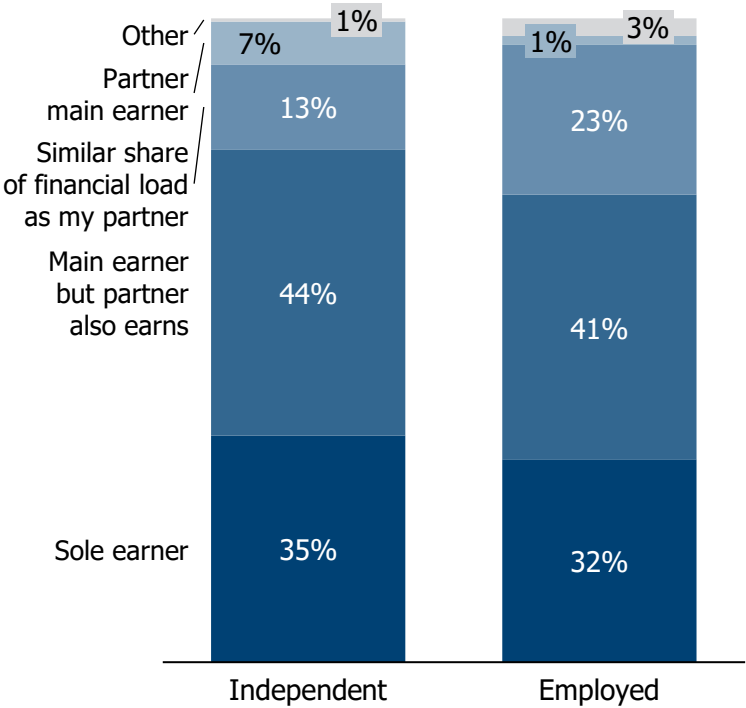
Professional experience



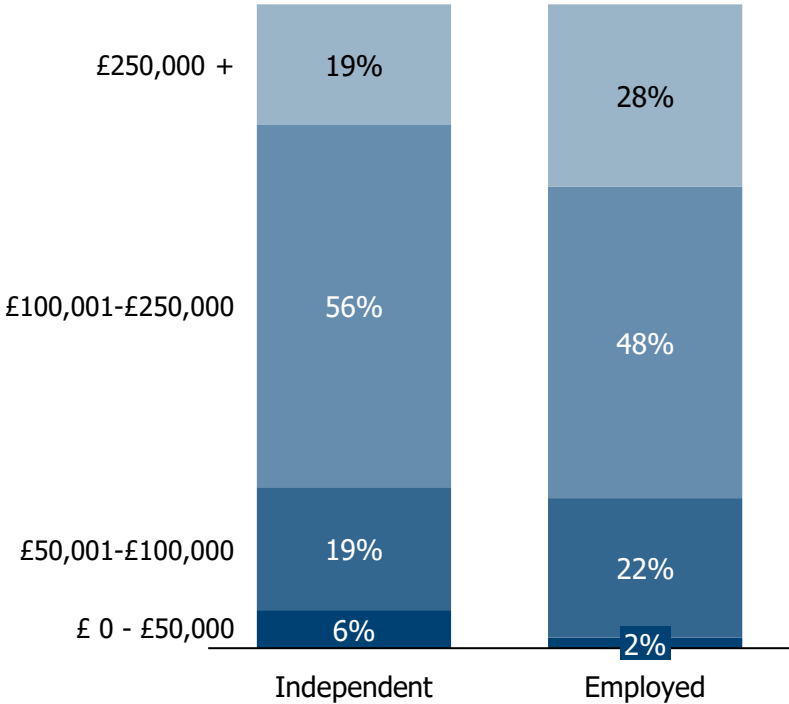
IC: n=196; EC: n=73; Note: 1) Includes academia, civil service, engineering, filmmaking, investment banking, military service, politics, private equity, start-ups, starting own business, voluntary work; 2) Includes start-ups, financial firms, strategic transformation companies; 3) Includes Accenture, Capgemini, CSC, IBM Consulting, PA Consulting 4) Includes Arthur D Little, A.T. Kearney, Booz Allen, Kurt Salmon, L.E.K., Marakon, Mitchell Madison, OC&C, Oliver Wyman, Roland Berger; 5) Average total number of years of professional experience
 Source: Eden McCallum & LBS Consultant Survey 2022 - Q10: Looking at your total professional experience, please list the approximate number of years you have spent in the following areas (consulting firm, industry, independent consulting, other); Q11: What was the name of the most recent traditional consulting firm you have worked for (as an employee)?; Q12: What was the level you reached in your most recent consulting firm; Q13: What was your last yearly salary before you became an independent consultant?; Q23: From a purely financial point of view, do you make more or less money as an independent consultant compared to when you were employed?

Earnings and household composition

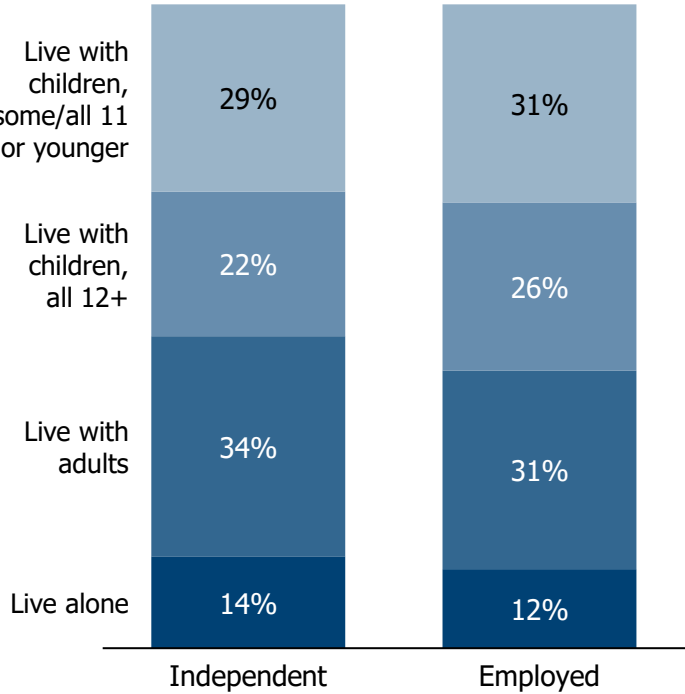
Earning responsibility (%)



Personal income per year, £¹



Household composition (%)



IC: n=196; EC: n=73; Note: 1) Exchanges rates used as of 20/12/22
 Source: Eden McCallum & LBS Consultant Survey 2022 – Q42: Who is the main earner of income in your household?; Q43: What is your household composition?; Q41: Approximately what is your personal income per year?