

Case 3B

Type: Growth



PROBLEM STATEMENT

Client is a partner at a leading consulting firm. He wants to understand how they can potentially grow the revenue at a faster rate.

SCRIPT KEY	
Interviewee/Candidate	
Interviewer	

Client is a partner at a leading consulting firm. He wants to understand how they can potentially grow the revenue at a faster rate.

Okay. Where is the firm based? What are the types of clients that they generally work with?

The firm is based in India, with offices in Bangalore, Delhi and Mumbai. They deal with clients across India and Southeast Asia, in the oil and gas, consumer and financial services industries.

What is the growth in revenue that we are targeting? Does the partner have any number in mind?

No, he just wants to explore options right now.

Okay. Can I assume that the only revenue stream is from the consulting services that we provide to the clients?

Yes.

Should I consider only the revenue or the cost as well?

Consider only the revenue.

Okay. I would first look at organic growth opportunities, and then move on to inorganic growth.
I would break down the total revenue into the average revenue per client and the number of clients, and look at each of these separately.

Go ahead.

The average revenue per client would be a function of the number of projects that we have and the price that we charge for it. I don't think we would be willing to charge a higher price, so I'll look at how we can increase the number of projects that we have. Is that a fair assumption?

Yes, that is fair. Go ahead.

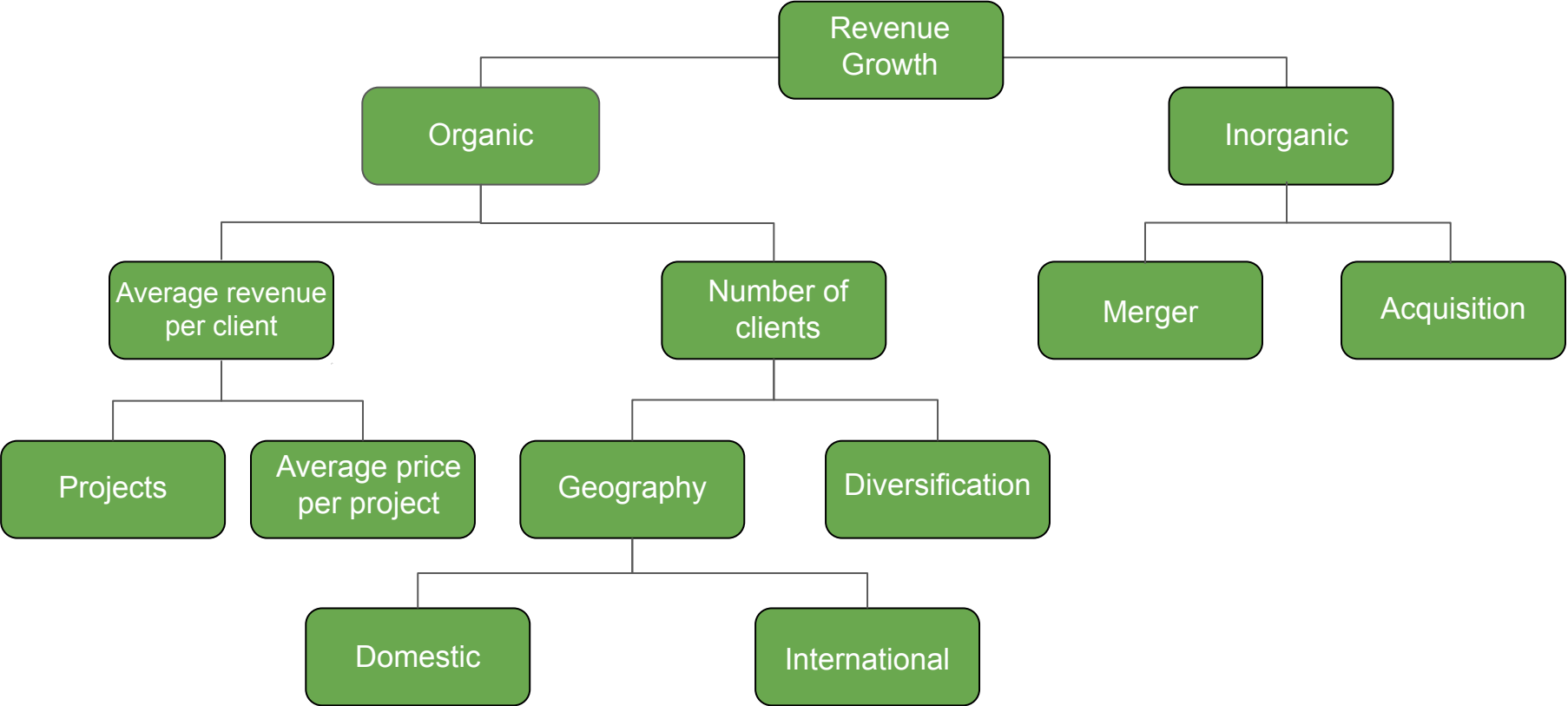
To increase the number of projects, firstly we can look at how we can increase the number of modules per client. The firm can pitch different modules while working on one module, and suggest their recommendations in other areas as well. They can improve their services by over delivering, which can increase the customer loyalty and will help in increasing modules from existing clients. We can also look at bundling, where we can offer discounts if the client hires us for multiple modules. Good. You can now go to the number of clients. To increase the number of clients, we can diversify into different geographies. We can approach clients in countries we haven't worked yet. We can also look at taking projects in more sectors.

Okay. Anything else you want to add?

Yes. We can also look into expansion if the client is open to new investment. They can increase their employee base so that they can cater to more clients and projects, and also expand office space. They can also increase on-shore projects and promote work from home policies. In case of inorganic growth, the client can also look into acquiring small consulting firms or merging with other consulting firms. Although this is rare, that can be looked into.

That would be all. Thanks.

GROWTH FRAMEWORK



GROWTH CASE STRUCTURE

Client is a partner at a leading consulting firm. He wants to understand how they can potentially grow the revenue at a faster rate.

QUALITATIVE INFORMATION

Case background:

A consulting firm wants to grow the revenue faster rate

Case facts:

- Our client is a consulting firm
- There is no specific growth target
- Only the revenue side to be considered

CLARIFYING ANSWERS TO BE PROVIDED ONLY WHEN ASKED BY THE INTERVIEWEE

<u>Interviewee</u>	<u>Interviewer</u>
Where is the firm based?	The firm is based in India, with offices in Bangalore, Delhi and Mumbai.
What are the types of clients that they generally work with?	They deal with clients across India and Southeast Asia, in the oil and gas, consumer and financial services industries.
What is the growth in revenue that we are targeting? Does the partner have any number in mind?	No, he just wants to explore options right now.

RECOMMENDATIONS

Target	Recommendations to achieve the target
1. Increasing the number of projects	<ol style="list-style-type: none">1. They can improve customer service relationships and assist in customer retention which can increase the customer loyalty and will help in increasing modules from existing clients.2. The firm can pitch different modules while working on one module, and suggest their recommendations in other areas.3. Advertising their firm to reach out to a larger audience.4. Offer good after delivery services to increase customer loyalty.
2. Increasing the average price per project	<ol style="list-style-type: none">1. They can also look at bundling, and offer discounts if the client hires them for multiple modules.
3. Geographical expansion	<ol style="list-style-type: none">1. To increase the number of clients, we can diversify into different geographies. We can approach clients in countries we haven't worked with yet.2. They could acquire or merge with a firm for geographical expansion rather than incurring the cost of setting up self-funded offices in different locations.
4. Diversification	<ol style="list-style-type: none">1. Client can look at taking projects in more sectors.
5. Merger or acquisition	<ol style="list-style-type: none">1. Client can look into the possibility of acquiring or merging with a firm offering consulting services in other domains or offering services in the same domain but catering to a different geography or both.