

FEACO Conference 2013

**European Management Consultancy
Industry and Trends
Thoughts/insights from the Greek Experience**

**Pantelis Koukos, D.Eng., M.Phil., MBA
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PRESENT SITUATION

- Greek Crisis is part of the Global Crisis, deteriorating by the severe structural problems of the country.
- For the last 5 years, the world has shown itself to be a place of never - ending and accelerated changes.
- The challenge for the establishment of a **new**, real and productive economy– not the so called market – economy, arises rapidly.
- This situation reflects **THE GREAT CHALLENGE** for the MC as the precursor, a critical bearing for the Global and European economy change and forward motion.

Thus, MC have to reflect and react on its role:

- We have to **change faster** than the market.
- We have to work **closely together**, to network ourselves, to earn value from each other, to implement based on our professional experience/tools and on the imperatives of the real economy, to work in the global community.
- We have to do that ...so to **keep and expand** our companies and create new jobs in the near future

SESMA Profile

- ❖ Established in 1991
- ❖ 56 members (only companies)
- ❖ Represents over 85% of consulting sector in Greece
- ❖ SESMA annual budget 80,000 EUR.
- ❖ Annual membership fees ranges from 800 to 1.800 EUR depending on turnover.

Management Consulting in Greece

- ❖ Management consulting total turnover in 2011: 206,8 mil €
 - ❖ 0,1% of GDP
 - ❖ 2011 average growth rate:- 0,6%
 - ❖ 2012 average growth rate: -3%
 - ❖ 2013 average growth rate (expected): 0%
 - ❖ Exports: 20%
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- Our 2014 target: **a growth rate of 5%**
 - Our 2014 target for **new consulting job positions: 10% growth**

Greek Economy

- ❖ GDP 1st quarter 2013: **-5,6 %**
- ❖ In total from 2007 **-25%**
- ❖ Bank liquidity to private sector almost **zero**
- ❖ Unemployment rate (1st quarter 2013): **27,4%**
- ❖ **1.300.000** persons with no job (private sector)
- ❖ Youth unemployment **62,5%**

**Data from the Hellenic Statistical Authority*

Greek Economy

❖ SESMA works to show that from questions to follow, that is:

1. We do not know what to do!
2. We do not have enough resources to go business ahead
3. We face severe resistance and “no change” inertia!

1 and 2 are FALSE !!!!

BECAUSE.....

1. We do not know what to do !

- There are several solutions and answers in most or even all subjects
- Many sectors and problems have been studied more than once
- All we need is to **IMPLEMENT** the solutions - to **DRIVE** the Change

Even if there is no appropriate solution then... we can find our own, based on international best practices

2. We do not have enough resources TO GET BUSINESS AHEAD!

We have to use effectively any available **resources** with clear vision, strategic targets, realistic planning, time schedule and focus action.

1. Mediterranean Integration Programs, 4 CSFs, 2014-2020 CSF to come , National Developmental Programs, Public Investment... with NO CLEAR TARGET.
2. Even today, both the Greek State and EU are spending hours for the "absorption" of financial resources (e.g. expensive projects with minimum efficiency and effectiveness).
3. Lack of a clear policy (due to the EU Bureaucracy as well) to leverage additional resources, to establish secondary funds in specific areas for infrastructure and businesses

3. Do we face severe resistance and “no change” inertia?

Yes it's TRUE... because :

1. Established interests, “aquis”, behaviors ... struggling to be maintained...
2. Lack of political intention.. Arising the logical question:

“Why politicians can not see what is so obvious for the citizens?”

BUT POLICY drives societies' evolution and enhancement in times of crisis, not the mere scientific arrogance, nor any machina gods. AND...

When the political system is not acting, then... societies are moving back and political or social constructs take over (roles).

Consultancy as a growth factor and GDP Multiplier Fostering Change, Catalyzing Growth

In 2011, we decided:

- To act as SESMA, for our country and our businesses.
- To deal with the main problems for Greece: STRUCTURAL CHANGES and a private sector of low competitiveness
- To work in order to:
 1. Prove the need for change in perceptions and behaviors, both in the private and public sector
 2. Arise issues for growth evolution
 3. Apply a comprehensive plan to help the guidance of the change

WE state that there is need for policies aimed to :

1. The creation of new jobs in the private sector satisfying the need for personal dignity and social balance through work
2. Sustainable, flexible, efficient and much smaller Public Sector and Administration, with opportunities for new private businesses and jobs (manage services, outsourcing etc.)
3. A competitive and extrovert Private Sector mainly in the key economic sectors
4. The backbone for any change is CULTURE & EDUCATION (both in schools and everyday life)

Consultancy

- We discuss with any Government Body, Task Force for Greece, Troika, private sector bodies, Chambers of Commerce, Industries, our colleagues
- We create alliances both with relevant bodies, as an Engineering Consulting Association, and executives from major companies etc.
- We participate in, or we schedule, thematic events for the economy growth, employment policy, extroversion of the economy, banking liquidity, updating of the EU Framework support imperatives and the best value for money actions.

Consultancy

- We provide expertise for critical aspects & projects & we deal with challenges.
- We see & insist on the importance for immediate acts & implementation
- We offer voluntary consulting time to the government and the related bodies
- Our simple moto ... **Now its time to overcome ourselves & implement a sustainable future**

Consultancy

ALSO we try to change internally- ourselves:

- Now better than ever before all SESMA members have a role for common good (international and smaller firms) and they work together for the market growth
- We discuss more and in depth for our future while attempts for clustering, merging and acquisitions are present
- We offer specific education and training to our employees and new staff, running continuous seminar and courses and a postgraduate program in Management Consulting with Athens University of Economic and Business (from 2012)
- We produce annual indexes and surveys contributing to the monitoring specific trends and industries

Results

- ❖ SESMA members participate now :
 - In every privatization process held by the Hellenic Republic Asset Development Fund, while none at the beginning, MC Firms do participate and contribute, international firms or firms from abroad work better with us now, both in Greece and abroad
 - In every strategic and action plan for the transformation of public enterprises (case studies: Athens and Thessaloniki Water Companies, Hellenic Post, etc.) (except ERT)
 - In every plan for sectors or specific companies transformation and extroversion of Greek firms and economy

Results

- ❖ SESMA members also participate.....
 - offering coaching and business advising for young entrepreneurs and newly established innovating firms, where further to the government's financing of specific vouchers, we double the provided services with no cost in the framework of social responsibility and voluntary work and we support their funding
 - In the efficient planning of the new CSF 2014-2020 where our proposal aims at create specific recycling funds
 - Participate to a series of events concerning the economy's recovery

Results

- BUT....
- **Although** everyone recognize us, we meet and discuss with government executives, Task Force commissioners, Enterprises and Industries
- we see our efforts for immediate application and implementation to meet **barriers**
- Even now, we feel the presence of various “**aquis**”
- **BUT we feel that we try**, we are in motion, we are in the game, we are not part of the audience.

Our experience supports that:

- MC has the expertise and the ability, to **transform experience and practice to useful knowledge**, working as:
 1. The fertilization factor between the familiar and the new.
 2. The catalyzing factor for growth, actively and in action supporting the establishment of structural changes and the business growth
 3. The contributor to the consolidation and growth of European Systems, leveraging the EU resources, bridging the gap between EU Bodies and the today European Economy needs

Our experiences shows that we have lack of time ... THUS

1. The European and Global MC Market have to struggle not only to survive but to support the changes for a better world and thus for their own **evolution**.
2. The MC Firms, more than ever, have to **think big**, for their clients and for themselves.
3. It is "**a must**" to develop networks, exchange experiences and knowledge, look for partners in order to be valuable both for our clients and the society.

THANK YOU