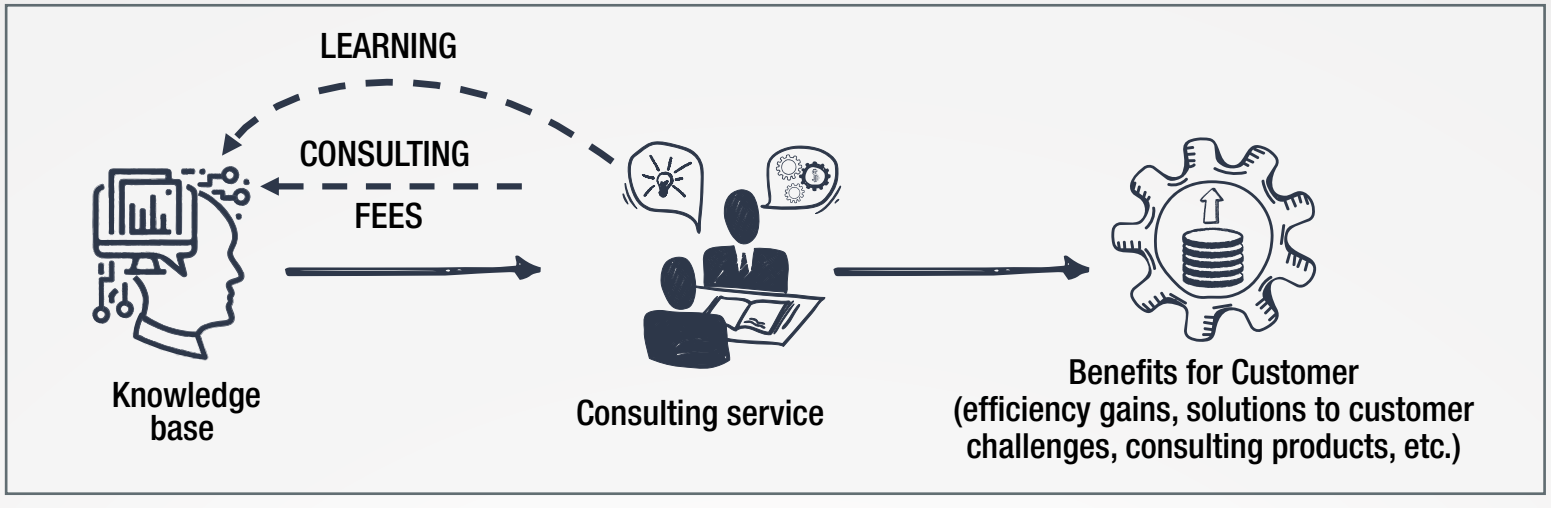




CONSULTING BUSINESS MODEL



VALUE CREATION PROCESS



HERE ARE FEW THINGS TO CONSIDER WHEN DEFINING YOUR CONSULTING BUSINESS MODEL



OFFERING

- With an environmental consulting business, the offering can be either highly specialized or broadly diversified
- Advantages of tapping into a niche → less competition and can charge higher daily rates. Disadvantages → Potentially fewer customers and less demand for your services
- Advantages of broader offering → Can facilitate an easier start. Disadvantages → higher competition and challenges in asking for high daily rates
- Since markets and knowledge develop very quickly in the field of consultancy, ongoing investment in own skills and knowledge level is very important



CUSTOMERS

- Potential clients for environmental consultancy services vary widely, including their ability to pay and their procedures to hire consultants.
- Non-Governmental Organizations (iNGOs), financial institutions, private sector organisations, multi-national companies often have dedicated tender platforms to publish and advertise tender notices, Expression of Interests (Eoi), etc
- It is important to know, understand and consider the general procedures for selecting and engaging consultants applied by potential clients.



OPERATIONS

- The combined knowledge and skills of the employees of a consultancy are the main resources. These must be managed efficiently. Skills must be enhanced and knowledge and key employees retained.
- Institutionalising 'best practices' is key for a successful consultancy.
- Be effective in communicating the skills and knowledge of your employees
- Speak the language of your customer and convey your experience on the thematic at hand
- It is also good to have access to an extended network of consultants in your field of business and beyond



FINANCIALS

- Upfront investments to build a new consultancy business from scratch are very low to zero
- The business can easily grow in an organic manner
- There are three main ways through which you generate revenue in consultancy and it is often necessary to consider different pricing models to cater for different types of customers:
 - 1- Hourly/daily fees
 - 2- Project-based fees
 - 3- Performance/Return on Investment (RoI)-based fees
- Key requirement for the successful financing of a consulting business is realistic budgeting.



KEY SUCESS FACTORS



APPLICABLE BUSINESS MODELS

