

 #FutureOfConsultancy

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Future of the Workplace:
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Table of contents

Chief executive's foreword.....	p. 1
Chair's introduction.....	p. 2
About ACE Emerging Professionals.....	p. 4
Summary and recommendations.....	p. 6
Background and future scenarios.....	p. 8
Insight from the future of the workplace stream.....	p. 11
Changing workforce.....	p. 11
Changing role families.....	p. 13
Changing workplace.....	p. 15
Discussion and conclusions.....	p. 19
Diversity and inclusion.....	p. 19
The Workplace Promise.....	p. 19
A cultural roadmap.....	p. 20
Skills and capabilities.....	p. 20
Focus moving forward.....	p. 21
Appendix: Future of Consultancy.....	p. 23

Chief Executive's foreword

Last year the Association for Consultancy and Engineering (ACE) launched the Future of Consultancy strategy which explored how society's expectations are changing the need for both what we build and how we build it.

With a strong focus on the Net Zero agenda, the move to more devolution, as well as new markets thanks to digital transformation, the campaign outlined, not a series of challenges, but an industry-wide opportunity for our sector to simultaneously deliver more growth, and increase its impact.



To deliver in this new role, consultancy businesses will need the right people and the right skills, organised in the right way. This means a change in both workplace culture and how we structure our businesses, to successfully attract, retain and motivate emerging professionals – something our sector has struggled with in the past.

The report's findings will be vital reading for leaders looking to position their companies at the forefront and will drive ACE's approach to supporting this change programme on behalf of members. We will work with professional bodies on reskilling to meet new structural needs, and with businesses on enhancing workplace culture in order to better attract and retain the next generation.

The current COVID-19 crisis provides an opportunity for business leaders to accelerate this transformation and get a step ahead – many are already exploring cultural changes brought about by increased remote working and changing client needs. Many discussions on creating welcoming, safe, productive, flexible, sustainable and healthy working environments are happening across the country at this moment in time, and this report adds substantively to those debates.

Finally, this research reminds me that our industry is, in fact, uniquely placed to attract the best of the emerging generation. As the designers of the future and a key delivery partner for society's Net Zero ambitions, we can demonstrate purpose in a more meaningful way than many others.

There is no reason why, in time, we could not become the sector of choice for this emerging generation who bring with them a unique blend of skills, technological understanding, passion and impact, that will be vital if we are to successfully meet the challenges which lie ahead for our both industry and society.

A handwritten signature in black ink, appearing to read 'Hannah Vickers', with a long, sweeping underline that extends to the right.

Hannah Vickers

Chief Executive, Association for Consultancy and Engineering (ACE).

Chair's introduction

As chair of ACE's Emerging Professionals I am delighted to share the results of our Future of the Workplace research which is our contribution to the Future of Consultancy campaign.



Our group provides a voice and a platform for the next generation of business leaders and, as such, is integral to any conversation around the future of our industry.

This emerging generation is very different to those who have come before. We are digital natives – informed, sceptical, and impatient – and want our day to be both impactful and purposeful. We want to work for businesses that are transparent in their approach and which reflect our values, notably around climate change. We want an active role in a diverse and inclusive workforce which mirrors the society we have grown up in.

In practical terms there were additional frustrations with issues such as the effectiveness of onboarding, quality of mentoring, flexibility of career pathways and the transparency of routes to progression. However, this was not a one way conversation.

We also spoke with HR experts and experienced business leaders who shared their own insight on the challenges of creating a workplace culture and environment which enables everyone to thrive, including emerging professionals. It was, of course, highlighted that in recent times our industry has struggled with talent drains to more receptive sectors.

In response to all of this, we have suggested a range of recommendations to ensure our industry is able to better attract and retain the emerging generation.

Positive proposals centred on nurturing a welcoming and thriving workplace, as well as building our collective skills and capabilities, notably through the development of role families, and in understanding how to ensure traditional professions can meet the very different challenges of the future business.

This also included the creation of a 'Workplace Promise' – a new agreement between the emerging professionals and their employers which will recalibrate expectations and put our relationship on a new, more transparent and trustworthy footing.

It goes without saying that the emerging professionals are – quite literally – our industry's future. Thanks to our Workplace Promise we will ensure that everyone knows what to expect from an employer, and in turn what is expected if employees are to progress into leadership roles.

This will build the foundations for the emergence of a win-win situation for both emerging professionals and the industry.

A handwritten signature in black ink, appearing to read 'Georgia Hughes', with a long, sweeping flourish extending to the right.

Georgia Hughes
Senior Management Consultant, Arcadis
& Chair, ACE Emerging Professionals.



About ACE Emerging Professionals

The Association for Consultancy and Engineering's (ACE) Emerging Professionals is a network created and run by those working in the built and natural environment within the United Kingdom.

Broadly speaking, the group is for those within the first five years of their career, however, all who have an interest in the built and natural environment are welcome to join and participate in our events and sessions.

About this report

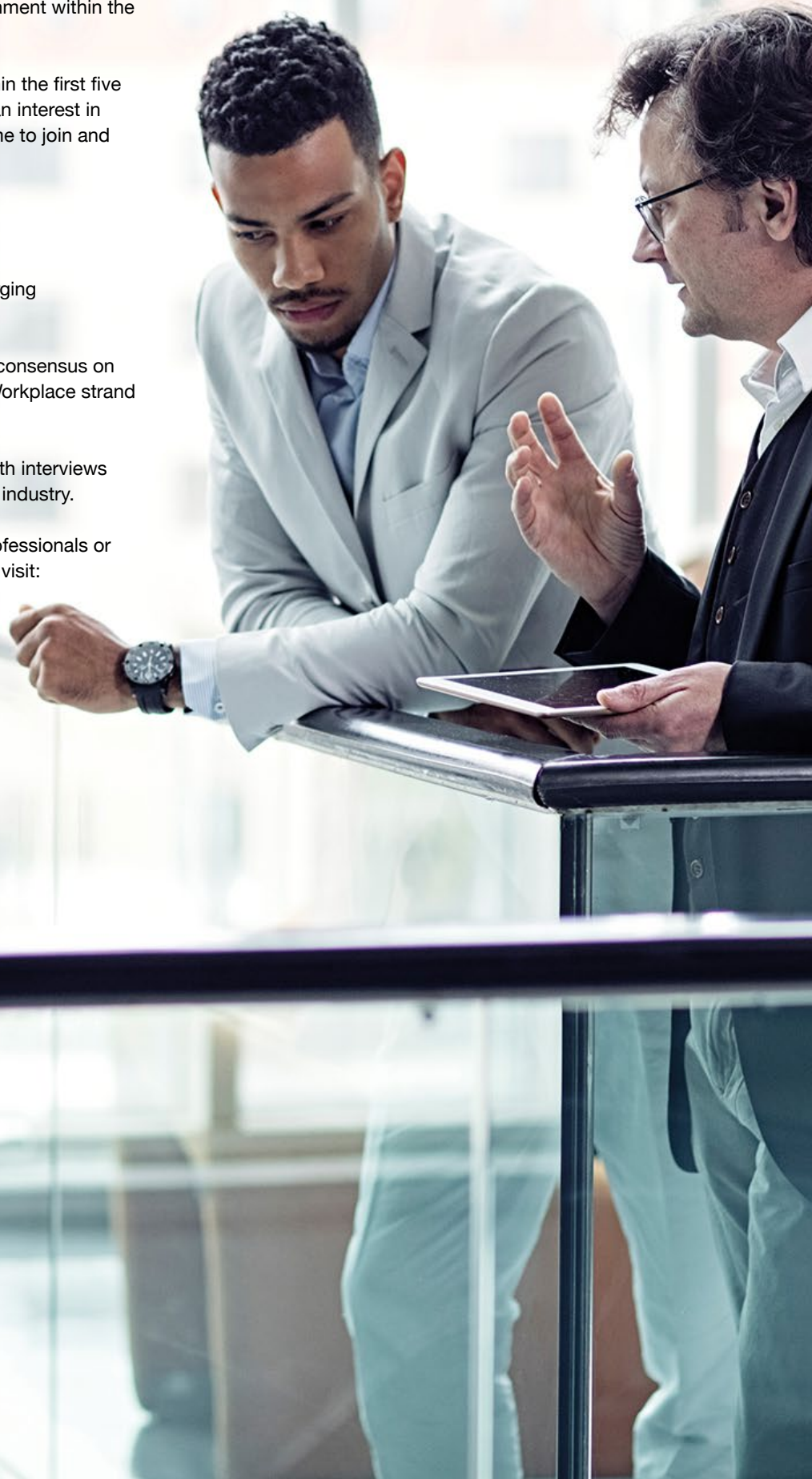
This report was commissioned by ACE Emerging Professionals.

It aims to instigate a debate and generate a consensus on priorities for action under the Future of the Workplace strand of ACE's Future of Consultancy campaign.

It is based on a series of detailed and in-depth interviews with emerging professionals from across the industry.

For more information on ACE's Emerging Professionals or the Future of Consultancy campaign, please visit:

 www.acenet.co.uk





Summary and recommendations

Between November 2019 and September 2020, ACE Emerging Professionals carried out a programme of research and stakeholder interviews to explore the Future of the Workplace for consultancy.

To help the consultancy profession evolve and adapt to the changing needs of emerging professionals, we have gathered insights on changing attitudes and aspirations, as well as workplace cultures and internal business structures in the built and natural environment. The timing of our project has also provided us with a snap-shot of how the sector has been adapting in real time to the impact of COVID-19.

All of this material has allowed us to paint a picture of the dynamic between the hopes and expectations of the rising generation and the needs of consultancy businesses.

If nothing else, we hope this can promote debate and better mutual understanding.

We believe however the sector has a much larger opportunity. The golden thread running throughout this research is the desire of both professionals and businesses to deliver against a much richer idea of *value*. Professionals are looking for more purpose and meaningful work.

Consultancy businesses, as highlighted by ACE's Future of Consultancy strategy, need to be able to show to clients and society how they will deliver the full package of social, economic and environmental value and do so through the design, delivery and operation of the built and natural environment.

If ACE members can move quickly, they can create the workplace and culture they need to be successful in this business environment and at the same time improve their ability to attract, retain and develop the future workforce, the **Workplace Promise**.

To help achieve this promise, we make recommendations in three changing areas: workforce, role families and workplace.



Workforce

- ACE will work with business leaders to facilitate the establishment of a sector wide baseline, setting out what every entrant to the sector may expect to be 'promised' from their employer.
- This may also outline in turn what is expected of employees if they are to progress to leadership roles, be that business or technical.



Role families

- **Developing and promoting consultancy sector capabilities:** ACE will work with member firms to further develop the concept of Role Families described in this report and to build out the capabilities required.

ACE will empower emerging professionals to set out clearly how different career pathways can support development, providing an understanding of how to develop these pathways and what capabilities are needed in certain roles, beyond the technical experience.

ACE will engage with universities, professional bodies and other relevant organisations to improve the sector's ability to develop and demonstrate to the market that it has the capability and skills needed to deliver against a much wider definition of value.



Workplace

- **Workplace culture:** ACE will empower and support emerging professionals to develop and deliver a roadmap for cultural change to implement the eight principles of a thriving workplace as set out in this report.
- **Diversity and inclusion:** As part of the existing annual benchmarking report, ACE have committed to setting stringent diversity and inclusion targets into place for member companies and will work with business leaders to improve these.
- ACE will also have a key role in providing support and information on diversity and inclusion, particularly to SME members.



Background and future scenarios

In 2019 ACE's Future of Consultancy strategy identified a new role for the engineering design, and multidisciplinary professionals' services within consultancy sector as the client's technical partner.

In this role, consultancy businesses play the central role in unlocking social, economic and environmental value from physical infrastructure and its digital twin. The strategy looks to a future where consultancy businesses deliver the technical partner role not just at the project level but for whole networks; supporting project delivery, strategic planning and operations.

To deliver the technical partner role, consultancy businesses need the right people, with the right skills, organised in the right way, to create the capabilities that can meet the rapidly evolving demands of clients and society. A major part of this task is the ability to attract, retain and motivate the emerging professionals who will be the future of consultancy.

The future of the workplace strand was set up to stimulate debate on these challenges and to create a consensus on the action needed. Over the last year the project has engaged with ACE member companies large and small, our clients, our supply chain partners and a range of other stakeholders including academics and professional bodies.

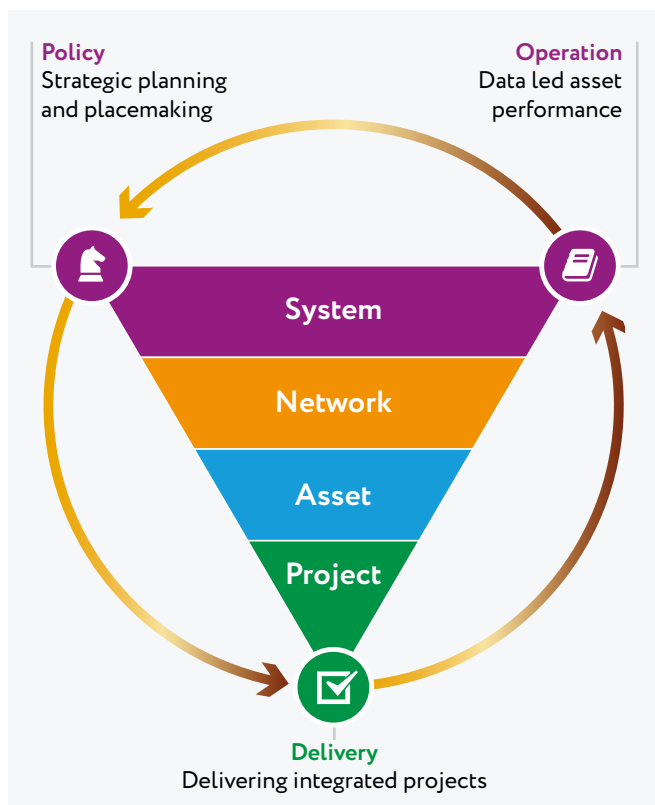


Figure one: ACE's Future of Consultancy's golden thread



Figure two: Scenarios for stakeholder interviews

There is inevitably a high level of uncertainty when looking ahead, even over five years. We therefore used the four scenarios set out below and overlaid to ignite conversations and challenge respondents to test the robustness of their plans.

The infrastructure revolution accelerates

Government responds to the post COVID-19 downturn by doubling-down on its promised 'infrastructure revolution'. Net Zero and levelling up regional disparities are the twin strategic aims of the programme. By 2025 this political leadership combined with legislative and regulatory changes, and pressure from private investors makes Net Zero *the* imperative for the infrastructure sector.

Consultancy evolves rapidly to become the trusted technical advisor envisaged in ACE's Future of Consultancy strategy. The success of the businesses that thrive in this environment is grounded in continued excellence in design combined with a step-change in their ability to work with large volumes of data to generate the insight needed to add value through the lifecycle. Firms' internal structures evolve to create the job families and capabilities needed to work more closely with clients on conceptual design and option appraisal and develop innovative, replicable solutions, products,

and services. Supplier eco-systems and collaboration with contractors, advisory businesses, and other players new to the sector flourishes.

The sense that consultancy is at the heart of a once in generation transformation attracts talented apprentices and graduates into firms that are abandoning traditional hierarchies. The greatest internal challenges are creating the right environment for collaboration between different job roles and professional groups, and meeting staff demands for opportunities for accelerated professional growth. This all takes place against a post COVID-19 shift towards greater flexibility in where people work and an improved work/life balance.

Winning the battle, but losing the war

Faced with a post COVID-19 economic depression the Government pours money into the UK's infrastructure. It soon becomes clear that economic growth is the overwhelming priority and over time the Net Zero imperative is diluted. Pressure from long term investors, some clients, and sections of the public means it stays on the agenda but it is not central to the infrastructure sector's activities.

Many consultancies do get on top of the opportunities created by data and technology and are able to offer the trusted advisor service envisaged by the ACE's Future of Consultancy strategy. Consultancy's appeal and diversity is limited by the failure to be at the forefront of the generational challenge of Net Zero. The built and natural environment, including construction, long-term image problem persists, exacerbated by continued competition for talent from higher paying sectors.

Job roles and capabilities within some firms do evolve to reflect the needs of the trusted advisor role but the rate of innovation is a little disappointing. This reflects the sector's challenge with diversity and inclusion, including diversity of thought. The expectation at the height of the COVID-19 workforce of a major change in the physical workplace is not borne out and the sector slowly drifts back to the majority of staff working in traditional offices with traditional workplace cultures. Many in the sector continue to feel that they are vulnerable to the tech giants, but by 2025 none have yet made significant moves into the world of infrastructure.

Stagnation for many = opportunity for some

The UK Government reacts to the huge debts incurred during the COVID-19 crisis by slamming on the breaks of its infrastructure investment programme and rowing back on its Net Zero commitments. The private sector is in no condition

to pick up the slack. Consultancy responds, as in previous downturns with mass lay-offs and graduate/apprentice recruitment freezes. There is little capital to invest in digital transformation and many firms desperately chase work in what the editor of *Infrastructure Intelligence* describes as, "The worst chase to the bottom since the abolition of fee-scales".

Clients looking for strategic advice turn to large advisory businesses, traditional strategy houses or niche management consultancies, while big-tech in collaboration with major contractors begins to make serious incursions into the design, delivery and operations of assets. Many established businesses struggle to identify a clear role in this evolving eco-system. Some nimble SMEs and start-ups do however take advantage of the difficulties of their larger peers to offer more specialist services direct to clients, often working together in flexible, informal collaborations.

When big consultancy firms do try to ramp-up recruitment they find it increasingly difficult to attract a high quality, diverse range of candidates due to perceptions that built and natural environment is a conservative industry, slow to adapt to new technology and new working methods.

Missing an open goal

The UK Government puts a Net Zero focused infrastructure investment programme at the centre of its COVID-19 recovery plan. Demand recovers rapidly and professional services consultancy in the built and natural environment begin to gear up. Unfortunately, legacy business models, inflexible working practices and persistent low profitability mean that many firms struggle to take full advantage of the opportunity. Some firms move up the value chain by specialising in areas such as conceptual design or in niche areas of technology, but few execute the shift to trusted advisor through the whole lifecycle envisaged in the ACE's Future of Consultancy strategy.

As the 2020s wear on, consultancy loses ground at the higher-end of the value chain to advisory, contracting and tech businesses with whom they fail to either compete or collaborate. Some large players are trapped into high volume, low value work that looks vulnerable to obsolescence as technology accelerates.

Recruitment of a talented and diverse workforce becomes increasingly difficult as other sectors tap in more effectively to the idealism and impatience for progression of the rising generation. A switch to teleworking predicated on cost-saving rather than productivity makes it increasingly difficult to mentor graduates and apprentices, damaging early career development.



Insight from the future of the workplace stream

We recognise that consultancy businesses come in a huge variety of sizes and specialisms. This means it is not possible to produce a definition of the perfect company or the perfect workplace that is true for every ACE member business.

We can however identify the role families that are being created as business evolve how they create capabilities to meet their client's needs. If we take a step back, it is also possible to point to some general characteristics that the

people we engaged believe will allow companies and the emerging professionals who work for them to thrive.

Finally, if we can agree on these role families and characteristics, and understand better what drives emerging professionals, we can create plans to help consultancies make the changes they need to succeed over the next decade and beyond.

We have therefore gathered the insight from the project into three changing areas.



Workforce

What is different about this generation of emerging professionals?

What motivates them?

What do they feel they need from the workplace?



Role families

How are the skills needed by consultancy businesses changing?

How are groups of professionals being organised to create capabilities, and what does this mean for how consultancy businesses relate with each other, clients, contractors and other players in the infrastructure eco-system?



Workplace

What are the characteristics of the workplace that will allow consultancy businesses to thrive?



Changing Workforce: value driven, moulded by technology and climate

To understand what is different about any generation, the best place to start is by looking at the trends and events that shaped their formative years. Generalisations are always risky, but several repeated trends emerged from our interviews which map on to the findings of larger, qualitative surveys of the attitudes of Millennials and Generation Z to the workplace.

Digital natives – informed, sceptical, and impatient

Whether this generation may or may not be more idealistic and value driven than previous ones, they are unquestionably better informed. The ubiquity of the internet has made vast quantities of information easily available and fostered an expectation of transparency. There is an element of increasing difficulty in filtering the truth from all this information – ‘fake news’ the most high-profile example of the need to ensure the information available is accurate and verifiable.

Nonetheless, the ease of access to the internet, and the myriad of different information platforms, have also contributed to increased scepticism around political and business leaders as the detail of their failures during the 2008 financial crisis filled newsfeeds and their responses to the current COVID-19 pandemic are laid bare within minutes of being announced.

In the workplace this transparency means that employees can find out much more quickly about what their companies are really doing than their predecessors, and are much less willing to put up with foot-dragging responses from leaders. Companies can be very quickly found out if rhetoric is not matched by reality. This can lead to discontent, and ultimately, a lack of retention within this generation if there is no follow through action.

Emerging professionals want to see a diverse and inclusive workplace, not an inclusion and diversity policy statement. They want to be involved in concrete action on the climate crisis, not to be asked to help draft a Net Zero commitment.



Only 37% of millennials believe business leaders make a positive impact on the world.

Deloitte Global Millennial Survey (2019)



Minecraft not Tetris – collaborative ‘communanholics’

Bestselling business authors Henry Timms and Jeremy Heimans point to the biggest video games of successive generations to illustrate the impact of growing up with the web on attitudes to power and hierarchy¹.

In the 1990’s millions played Tetris. They sat on their own, arranging shapes that fell from the sky, sent to them by an unseen, impersonal hand. The millions who grew up with *Minecraft* were in an open world in which they decided what to build and who to build it with. Against this backdrop its hardly surprising that global consultant McKinsey have described the younger end of the emerging workforce, Generation Z, as *Communanholics*².

Timms and Heimans, use the Minecraft vs. Tetris story as a starting point to sketch out a ‘before’ and ‘after’ mindset towards power, collaboration and hierarchy.

This matches very well with what we heard from our interviews. Emerging professionals and their employers all talked about impatience with hierarchy, an expectation that their voice would be heard and short-term attachment to employers.



We must put in much more effort to engagement to attract graduates, apprentices, and early career professionals. Young people are prepared to be much more demanding and shop around. That’s a challenge as there can be an assumption in the firm that you want to work for us.

HR director, specialist consultant












Old power values	New power values
Formal (representative) governance, managerialism, institutionalism 	Informal (networked) governance, opt-in decision-making, self-organisation 
Competition, exclusivity, resource consolidation 	Collaboration, crowd wisdom, sharing, open sourcing 
Confidentiality, discretion, separation between private and public spheres 	Radical transparency 
Expertise, professionalism, specialisation 	Maker culture. “Do-it ourselves” ethic 
Long-term affiliation and loyalty less overall participation 	Short-term conditional affiliation, more overall participation 

Figure three: Timms and Heimans’ Minecraft vs. Tetris analogy



They want to come to us for three to five years, do something brilliant, and move on to the next experience.

HR director, specialist consultant



The most tested generation?

One intriguing idea that recurred throughout the interviews was the impact of the education system on today’s emerging professionals. As one young professional noted today’s 20 somethings are perhaps the most tested generation in history. Several contributors speculated if this has created a demand for much more regular, 360 degree feedback and an impatience with ambiguity about job roles and progression pathways.

¹Timms H & Heimans J (2018), *New Power - How Power Works in Our Hyper-Connected World*.
²McKinsey & Co (2018), *True Gen – Generation Z and its Implication for Companies*.

The most diverse and inclusive generation

Today's emerging professionals are the most diverse and inclusive generation to enter the workplace. We heard repeatedly that as a result they simply take the idea that workplaces will be diverse and inclusive as a given – with monocultures a major negative when encountered.

We also found an increasingly sophisticated and nuanced idea of what diversity and inclusion should mean, extending well beyond gender and ethnicity to embrace areas such as neurodiversity. A lot of this was brought to light earlier this year through the global force of Black Lives Matter. We saw many firms standing strong against racism, inequality and injustice, but the call to action has to be more than just a press release. Emerging professionals, and their colleagues, want to see real, substantial changes in their businesses, and it has to start with having those potentially difficult and uncomfortable conversations to enact real and long-lasting change.

The climate generation

Over the last two decades the warnings of the Intergovernmental Panel on Climate Change have become ever starker and extreme weather events more common and campaigners ever more vocal.

We heard that for the rising generation, tackling climate change is the overriding issue. One consultant told us of informal groups springing up inside the firm to generate ideas to accelerate the move to net zero carbon, while another told us that they had agreed to close the London office for the day to allow people to attend an Extinction Rebellion march.

Globally the built and natural environment sector is responsible for 39% of all carbon emissions, 28% accounts for the operation emissions of asset and 11% from embodied carbon associated with materials and construction.³

It is imperative that as a sector, we work together to drive down our carbon emission through better design and understanding how to improve the use and operation of our asset. We are seeing clients becoming aware of the importance of reducing carbon; from the finance sector committing to 2050 targets, to local bodies such as the West Midlands Combined Authority setting out their ambitions in their 2041 plan.

³World Green Building Council (2019), www.worldgbc.org.



Changing role families: Organising to create value



I see a fundamental shift from a model in which the majority of value is created by leveraging the accumulated expertise of individuals to one in which value is created by the combination of personal expertise and high-quality data.

Infrastructure leader, advisory business



What consultancy businesses need to deliver is changing. The UK faces a series of generational challenges that include the transition to a Net Zero carbon economy, levelling up equality of opportunity and now recovery from COVID-19. This means that what clients, investors, and society are demanding from infrastructure is becoming broader and more complex.

At the same time, the built and natural environment itself is increasingly best thought of as a combination of digital and physical assets that combine to provide the services that people need to live and flourish.

All this growing complexity is heightened by the balance of workload moving inexorably away from new builds towards interventions designed to get more out of existing assets and system. For example, we were told that only 1.5% to 2% of the carbon associated with the highways network comes from the fixed assets. This means that to add value, consultancy needs to be identifying improvements to how the network is operated and how vehicles use it.

Data and technology are fortunately making it much easier for consultancy to develop a profound understanding of assets and how they are used. Cognitively diverse, multi-disciplinary teams can then be deployed to develop solutions.

Against this backdrop consultancy businesses are grappling with how best to combine the deep technical expertise that is the core offering, with digital acumen and collaborative problem solving.

One multi-disciplinary consultant described the outcome in terms of the role families being created inside the business, as staff's job roles and how they are grouped together, evolve to meet changing demands. When we asked other businesses to tell us how their role families were developing, the results fell into two broad camps.

Role family: Structure A	Role family: Structure B
Solution finder: Adapt at developing a clear view of their client's business and understanding what they need, as well as what they want and their objectives and challenges.	Technical expert: Able to stand back and explain a process and challenge preconception of how things are done.
Solution developer: Highly competent in a technical discipline, skilled systems thinkers and able to work with technology to generate innovative and deliverable options to meet the client's brief.	Analyst: A bridge between experts and developers. Analysts have enough knowledge of both camps to translate an engineering process into a form that can be automated.
Solution builder: Traditionally highly competent in design development, increasingly coders and platform or model builder.	
Attitude to digital transformation: Access to is their data the priority. Any time that is freed up by automation dedicated to meeting client needs via advisory services, improved conceptual design etc.	Attitude to digital transformation: Automation is their priority. Time freed up dedicated to meeting client needs via further automation and development of new products. Human interaction with clients is focused on teasing out questions.

Consultancy businesses can drive more value out of advisory activity but need to be able to align staff with advisory skills, deep subject matter expertise, specialist supply chain and data analysts.

Large multi-disciplinary consultancy



We should be guided by the principle that anything that is based on human knowledge and experience is, in principle, capturable as an automated process.

Specialist SME



Different consultancy businesses preferences for Structure A or B is in part a reflection of different businesses' starting points. Role family Structure A is more attractive for multi-disciplinary firms with ambitions to offer the full, through life client technical partner role in the Future of Consultancy vision, while Structure B works well as a way forward for niche technical specialists, providing part of the role in partnership with others.

A number of larger SMEs described how they specialise in front end solutions development, while one smaller SME was successfully occupying a niche innovating by using a mastery of technology to make processes faster and more efficient.

Even large multi-disciplinary players reported needing to think where they fitted into the eco-system, given the capabilities available to clients from management consultancy and technology businesses. Others were working hard to develop their own supply chains or alliances to provide clients with a full service, through the lifecycle.

Our interviews also suggest that firms are taking a bet on the extent and speed of automation and where innovation will bring opportunities to grow margins. Structure A assumes organisations will continue basing their business model on applying the expertise of individuals directly to clients' problems, supported by access to data and tools such as generative design. Structure B springs from an assumption that anything and everything that can be automated will be, and the future lies in developing and exploiting intellectual property.

This choice is not necessarily binary. Some bigger players reported pockets of role family Structures A and B inside their business, often reflecting the relative pace of automation of different activities. Cost consultancy for example was reported as automating very rapidly, while more traditional design, much less so. It also reflects the attitudes of clients. One major public sector client we spoke with was keen to drive radical change to a more production mindset, essentially pushing its supply chain towards Structure B, while others

were looking for evolutionary improvements within the existing model, favouring Structure A.

At the level of individual skill sets that will be in demand over the medium term, interviewees identified three broad groupings:

- **Core technical skills:** ACE members are traditionally engineering and design consultancies, although this is shifting within some larger firms, with deep technical expertise remaining the heart of their offer.
- **Roles:** Firms expect to establish more consultancy advisory, project management and digital roles.
- **Capabilities:** A number of interviewees are basing their offer around their leadership, and collaborative delivery capabilities.

As the emerging professionals, we are well placed to support this element of a “Workplace Promise”, setting out clearly how different career pathways can support development, providing an understanding of how to develop these pathways and what capabilities are needed in certain roles, beyond the technical experience.



Changing workplace: Eight characteristics for businesses to thrive

Against this backdrop of changing role families and changing expectations of emerging professionals we can return to the challenge of asking what characteristics of the future workplace will help consultancy businesses thrive.

To create a workplace culture that is fit for purpose in five years-time, change needs to start now. Some of these eight trends won't be new or ground breaking but in order to understand the changing workforce, these need to move beyond ‘characteristics’ as stated here and become the basic expectations of workplace culture for both ourselves and our clients. We recognise that change needs to come from both sides, there must be ebb and flow in every relationship and we want to work with our businesses to create a workplace where emerging professionals flourish and are understood by our industry.

It is worth repeating that there is no single template that all ACE members will follow. Firms of different sizes and specialisms will always have to make decisions about what works for them and their clients.

1. Purpose and meaningful work

‘Purpose’ was a word that was repeated and again in the interviews. Often it described a generation with a strong sense of values and ethics. We heard that employee or trust owned firms, especially those with a commitment to sustainable development embedded into their DNA, are very attractive to emerging professionals.

However, we also heard that purpose related to simply having a sense of interesting and challenging work. We were told several times, “you know engineers like to do engineering!” something that is being exploited by smaller, specialist firms able to offer emerging professionals exciting technical challenges and the opportunity to see projects through from start to finish.



*Ideally, I'd work for government, NGO, or employee owned. I hate that what I do makes money for some fat cat shareholder who doesn't give a **** what projects I'm working on or how I'm trying to make the world a better place. But my clients are local authorities and that is good enough for now.*

Senior consultant



A small firm like ours can offer younger staff the opportunity to be involved in a project from inception to completion. As an SME we can't offer some of the wider opportunities provided by the big multi-disciplinary consultancies, but we can offer a level of hands on/high profile experience that makes staff very valuable.

HR director, SME consultant



2. Commitment to vertical and horizontal development opportunities

We expected to hear much more about emerging professionals' demand for rapid increases in salaries. While it is an issue, particularly in larger cities where rents are high. But we also heard that when emerging professionals were asked, why they started thinking about leaving under-utilisation and a lack of challenge and variety were often more significant problems.

This may create an advantage for larger multi-disciplinary firms where job swaps, job shares, professional networks et al are easier to achieve. We also heard about a need for firms to get much better at explaining 'the deal' to younger staff through better onboarding and ongoing support. Managers need to explain possible career pathways, help people through key transitions from role to role but also explain unambiguously what was expected of emerging professionals, in return for support in achieving their goals.



Successful firms will need to focus on providing both linear career progression and horizontal professional development & growth. Lack of stretch and boredom can be as significant a driver for leaving the firm as salary & status.

HR Director, multi-disciplinary consultancy 



More job sharing would be a big step forward as young employees value the opportunity to gain experience – and avoid job roles that can be dead ends. Early on we don't know exactly what we want but I think there's an assumption if you don't stick to one path you look unsure.

Graduate engineer 

3. Walking the talk

We've already seen that we live in an age where any gap between the rhetoric of senior leaders and the reality on the ground is picked up very quickly. Many of the younger engineers we spoke with didn't doubt the sincerity of senior leaders but felt that good intentions hit the buffers of a middle management tier incentivised to get the job done. We also heard frustrations about how commitment to social value or sustainability failed to find their way into design briefs or procurement processes.

4. Flexibility and work-life balance

This is now a hygiene factor and is demanded across all generations in the workforce. The industry has moved along way from simple flexi-time and the interviews revealed a near universal expectation that "professionals be treated like adults" and be left to manage their time around their professional and personal commitments.

We also heard about some specific work-life issues that could be resolved relatively quickly within firms, for example how couples are often significantly worse off if they pass a significant chunk of their shared parental leave allowance to their partner. This, perversely, incentivises women to leave the workplace for a year, holding back careers and baking-in inequality.

5. Diversity

We were told that this is a generation that expects to see, and experience diversity not read policy statements. HR directors are looking for a win-win, they recognise that a diverse workplace is an expectation of younger staff but also vital innovation and collaboration.

One angle that should be explored further is the balance between recruitment and retention to achieving diversity. A number of diversity campaigner within the industry called for a better way to acknowledge, manage and support with the challenges that employees from minority groups face once they are in the workplace.

The need for greater cognitive diversity within the built and natural environment is vastly apparent, it can often be seen as a sector of privilege or white and blue collar discouraging many from pursuing a career within it. These misconceptions need to be broken and we need to challenge ourselves and our unconscious bias when we open our recruitment doors or the way we are building teams.

6. Transparency, openness and fairness

Millennials and Generation Z have little time for hierarchies, time serving, gender pay gaps and the ‘tap on the shoulder’ approach to progression. Their highly structured education and experience of growing up on-line has created an expectation of regular even instantaneous feedback. While this can create friction in multi-generational workplaces, many firms are acknowledging that what emerging professionals want in terms of transparency, fairness, or just regular feedback is good for everyone.



Time served in a job does not seem a fair basis for higher pay. If two people are doing the same job, reward should be based on performance.

Consultant



We’ve moved from a once a year, very untransparent promotion meeting to a much more structured and objective system of progression with Aptitudes, Skills and Knowledge required to progress spelt out clearly

HR Director, specialist consultancy



7. Collaboration

If understanding customers needs, problem solving and providing support through the asset life is the future, it is clear the consultancies must be much more effective at collaboration, both internally and with supply chain partners. We heard that far from being something ‘soft and fluffy’, getting collaboration right is one of the hardest challenges for many businesses. It is not easy to understand and nurture the behaviours needed for success, keep different personality types and partners aligned for months and years and put in place governance and contractual arrangements that help and do not hinder collaboration.

8. Embracing apprenticeships

The apprentice route can help consultancy attract huge swathes of talent into the industry as well as improving our diversity. The money and support available to support apprenticeships mean that failing to do so would be a huge missed opportunity. We heard that many parents and young people don’t understand the range of apprenticeships available, particularly the existence of the degree apprenticeship route.

Once recruited, apprentices need support and recognition. We were told by one apprentice that when they joined the industry, they sometimes felt ‘the bottom of the bottom’. Career progression steps for apprentices on long pathways to degrees or other qualifications would help here as well as providing structure and motivation. Firms also need to fully commit to allocating 20% of apprentices time to learning and development, if nothing else to help them maintain a good work/life balance.

With the advent of COVID-19, and the rapid shift to homeworking brought many of these issues into stark relief. During the summer we heard repeatedly that younger staff have been hit hard by a lack of access to mentoring and support. Similarly, a generation that thrives on collaborative working is feeling the effect of a lack of face to face contact, despite their comfort with communications technology.



Discussion and conclusions

Diversity and inclusion

Consultancy must improve its diversity and inclusivity performance

The role family structures uncovered by this report are fundamentally strategies for bringing cognitively diverse groups together in an inclusive way, to deal with complex problems. This ability to bring teams together and to collaborate effectively both internally and externally with clients and supply chain partners is increasingly a significant source of competitive advantage for many consultancy businesses.

Unsurprisingly then diversity and inclusivity were recurring themes across all the research. A workforce with greater diversity and inclusion in terms of ethnicity, gender, sexuality, age, protected characteristic or any other category was seen by many contributors as a route to cognitive diversity. As importantly it is also an ethical imperative, with more than one interviewee setting out their firm's commitment to better reflect the make-up of the areas they operate in.

The feedback also shows that there is a big risk for firms failing to back their public commitments to diversity and inclusion with real concerted action. Stakeholders and their own staff are increasingly quick to pick up on failure to walk the talk and reputational – and business damage can take a long time to repair.

This downside risk was reiterated by many interviewees but more positively we also heard from businesses taking concerted action to make the necessary changes in areas identified as priority, including retention, progression and pipeline management, and succession planning.



Diversity is a major priority for us and our clients. We need to the unlock the diversity of thought for effective collaboration. The challenge is to get beyond the policy and change hearts and minds...sections of the industry are still quite traditional and conservative and haven't yet bought in to change.

Large multi-disciplinary consultant



Recognising that a number of businesses are already making huge positive steps in this direction, ACE should provide diversity and inclusion targets for member companies as a part of their existing annual benchmarking report, and will work with business leaders to support improvement.

ACE will also have a key role in providing support and information, particularly to SME members, which will be driven and delivered by the Emerging Professionals group.

Do not waste a good crisis: The Workplace Promise



The difficulty of providing training and development to graduates and apprentices in the virtual workplace is a function of deeper bad practice. Much of the time they are used for dull, repetitive work and pick up guidance on an ad-hoc basis. This is an opportunity to re-set the relationship and give them a better experience.

Medium sized consultant



Contributors to this project described eight characteristics of the future workplace that will be vital if consultancy businesses are to attract, motivate and retain the workforce they will need to thrive over the next decade.

In the first stage of the research conducted in late 2019 and early 2020 contributors acknowledged that parts of the sector were struggling with a number of challenges relating to these characteristics including the effectiveness of onboarding, the quality of mentoring, flexibility of career pathways and the transparency and perceived fairness of routes to progression.

Since then, the advent of COVID-19, and the rapid shift to homeworking has brought many of these issues into stark relief. During spring and summer 2020 we heard repeatedly that younger staff have been hit hard by a lack of access to mentoring and support. Similarly, a generation that thrives on collaborative working is feeling the effect of a lack of face to face contact, despite their comfort with communications technology.

None of the contributors is expecting a return to the pre-COVID workplace. Against this backdrop we found widespread support for the idea that part of any new normal should be a re-setting of a **Workplace Promise** between consultancy business leaders and emerging professionals.

This Promise should set the baseline for what every entrant, at any level, to the consultancy sector can expect from their employer to help them develop their career and makes clear what is expected of them if they are to progress to leadership roles.

ACE is well placed to determine this Workplace Promise for the future workforce.

ACE will work with business leaders to facilitate the establishment of a sector wide baseline setting out what every entrant to the sector can expect from their employer and what in turn is expected of employees if they are to progress to leadership roles.

Member firms and representatives of emerging professionals will need to agree the precise content but feedback from our interviews suggest it could include a commitment to:

- **Support and feedback**
 - o Regular and formalised feedback and mentoring
 - o High quality learning and development
 - o Monitor existing commitments, including the allocation 20% of apprentices time to learning and development activity
- **Career development and planning**
 - o Early career rotation to allow staff to be exposed to different career paths
 - o Access to secondments and professional networks
 - o Career stage transition support, including options to move sideways or backwards to open up new pathways
- **Recognition and progression**
 - o Where possible provide multiple routes for progression and recognition
 - o Transparent and fair progression and promotion processes
- **Monitoring and implementation**

While this Workplace Promise would be aimed primarily at the under 35s, the research has shown that many of its elements are appealing to all age cohorts in the workplace, and should be addressed as such.

A cultural roadmap: Creating a thriving workplace

Contributors helped us identify eight characteristics of a future workplace that will help consultancy businesses thrive. Interviewees also stressed their desire and willingness to share best practices and what works to help the whole sector move forward.

ACE will empower and support its Emerging Professionals network to develop and deliver a roadmap to implement the eight principles of a thriving workplace set out in this report to create a thriving workplace.

Skills and capabilities: Developing and promoting the sector's capabilities

During the course of the project, contributors, particularly multi-disciplinary businesses found the idea of Role Families very compelling. It is a simple way of thinking about evolving skills needs and how people are organised that focuses on what people do, rather than the technical discipline they come from. Many contributors are keen to continue this conversation and use it as a basis for opening a conversation with academia, the professional bodies and others about the sector's changing skills needs.

This conversation will need to cover two challenges. Firstly, the skills and capability pipeline, addressing the concern that people emerging from the educational and professional qualification process are not being equipped with some of the broader skills needed to succeed. Pleasingly, as the quote below demonstrates, this is widely recognised.



The key challenge is to recognise that core skills and knowledge are necessary but not sufficient for many future careers. The technical skills won't change and must be understood, but this doesn't provide the additional commercial, communication, project management et al skills that in different mixes, underpin different career paths."

Director, professional body



Secondly, many interviewees stressed that in the face of significant uncertainty, what was really important was to have more agility and flexibility in how staff were deployed. Key to making this work is the ability to demonstrate the competency of individuals when they are re-deployed. Individual businesses of course have a big role here but many expressed hope that professional bodies could be more creative in their post chartership support to members and their employers.

Smaller consultancies told us they recognised the idea of Role Family Structures described by their multi-disciplinary peers but stressed that they specialised in just one of them. One described this as their niche in the eco-system. Some SMEs are eager to open up different types of relationship with larger players, for example for specialist consultancies to work directly with the client as a concept engineer, partnering with a larger player able to exploit their scale to deliver the design development process more efficiently.

This eco-system logic does not only apply to SMEs. Consultancy businesses have always co-operated with each other and other players in the supply-chain to help spread risk and bring a full range of capabilities to solving clients' problems. As projects become more complex and interdisciplinary, these collaborations are continuing to broaden encompassing, for example advisory and tech businesses.

What binds all these thoughts together is a renewed desire and a willingness to present a more coherent offer to the market.

A number of interviewees called on ACE to broker a consultancy industry understanding on its collective offer to clients based on a realistic assessment of the different strengths of its component parts.



The sector needs to be able to act together as a talent eco-system.

Large multi-disciplinary consultant



Focus moving forward

Changing workforce. ACE will work with business leaders to establish the baseline for this Promise, setting out what every entrant to the sector can expect from their employer and what in turn is expected of employees if they are to progress to leadership roles, be that business or technical.

Changing roles. ACE will work with member companies to develop the concept of Role Families described in this report.

ACE will empower the emerging professionals to set out clearly how different career pathways can support development, providing an understanding of how to develop these pathways and what capabilities are needed in certain roles, beyond the technical experience.

ACE will engage with universities, professional bodies and other relevant organisations to improve the sector's ability to develop and demonstrate to the market that it has the capabilities needed to deliver against a much wider definition of value.

Changing workplace. ACE will empower and support the emerging professionals to develop and deliver a roadmap for cultural change to implement the eight principles of a thriving workplace as set out in this report.

ACE will also have a key role in providing support and information, particularly to SME members and will develop this offering in collaboration with emerging professionals.

ace



Appendix: Future of Consultancy

Launched by the Association of Consultancy and Engineering (ACE) at its CEO Conference in November 2018, the Future of Consultancy campaign will pivot an entire sector to seize the opportunities offered by a better connected, technology-first approach to the development, design, construction and operation of our built environment.

Backed by the Government as part of its Industrial Strategy and part-funded by the UKRI, the programme will help companies to not only prepare for the future but enable them to confidently grasp the rewards presented as the industry moves “from volume to value”.

Find out more at our website where you can replay a range of webinars and download our reports.

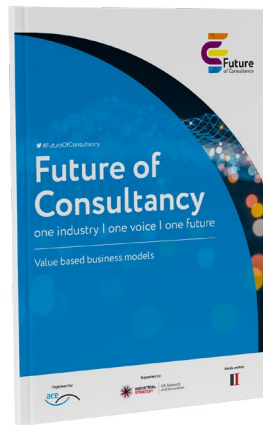
www.acenet.co.uk/campaigns/future-of-consultancy/



Strategy and overview

Exploring the drivers of this change and the opportunity for consultancy businesses.

Download



Value-based business models

Developing a suite of value-based business models which reflect new ways of working and an evolving industry.

Download



Export strategy

Outlining the global opportunities for UK consultancy. Produced in partnership with Global Construction Perspectives and Oxford Economics.

Download

Get in touch

Questions about the campaign?
Want to get involved?

email:
FutureOfConsultancy@acenet.co.uk



Association for Consultancy and Engineering

Alliance House, 12 Caxton Street

London SW1H 0QL

T: 020 7222 6557

membership@acenet.co.uk

www.acenet.co.uk