

2009 Annual Business and Professions Study

Respondent report

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Introduction

The Annual Business and Professions Study (ABPS) is the largest independent research study of its type in Australasia. The research is made possible through a unique collaboration amongst over 40 professional and industry associations, professional service firms throughout Australia and Beaton Consulting.

The research for the 2009 study was conducted in late 2008, with an invitation-only, online survey examining the opinions of clients and staff of professional service firms. Over 30,000 completed responses were received.

This report explores some of the issues covered in the study, including issues of gender balance in the business community, attitudes of clients towards professional service firms and of professionals towards their careers. The professions examined in the study include law, patent attorney, architecture, actuarial, accounting, IT services, consulting engineering and management consulting.

The Annual Business and Professions Study has a number of outputs, one of which is this report. All participants in the survey receive priority access to this report via email.

We would like to thank all the participating associations for their support:



Many thanks also go to each individual who participates to make this annual study truly groundbreaking.



Maia Gould
Communications Manager
Beaton Consulting

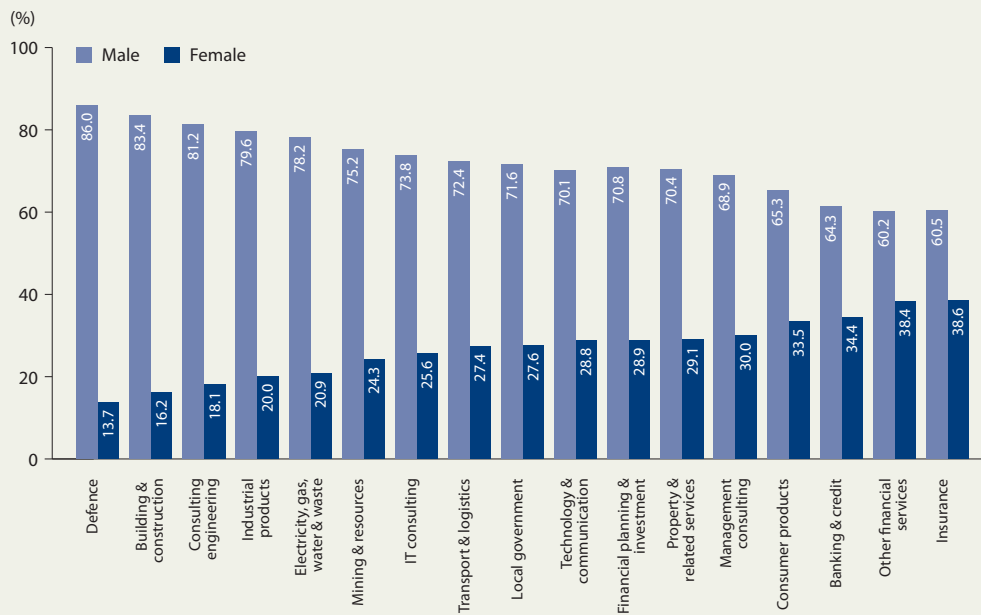


Mel Chee
Program Manager
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Women underrepresented in most sectors

It comes as no surprise that women make up only 14% of those working in defence, and 16% of those in building and construction. However, women are also significantly underrepresented in financial professions (around 30% on average), as well as IT consulting (26%), technology and communications (29%) and management consulting (30%).

Chart 1: Male dominated sectors*

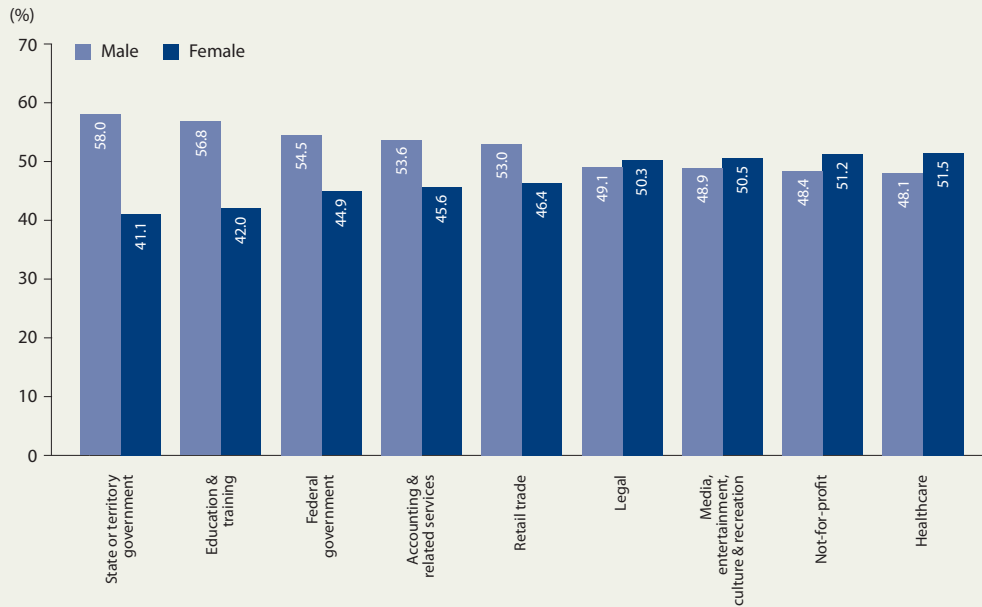


*Note that male and female proportions do not add to 100% as some respondents chose not to disclose their gender

Gender balance most likely in healthcare, not-for-profit

Women are found in greater proportions in government roles (around 40 to 45%), and there is gender balance overall in the legal profession, media, entertainment, culture and recreation, in not-for profits, as well as in healthcare.

Chart 2: Gender-balanced sectors*

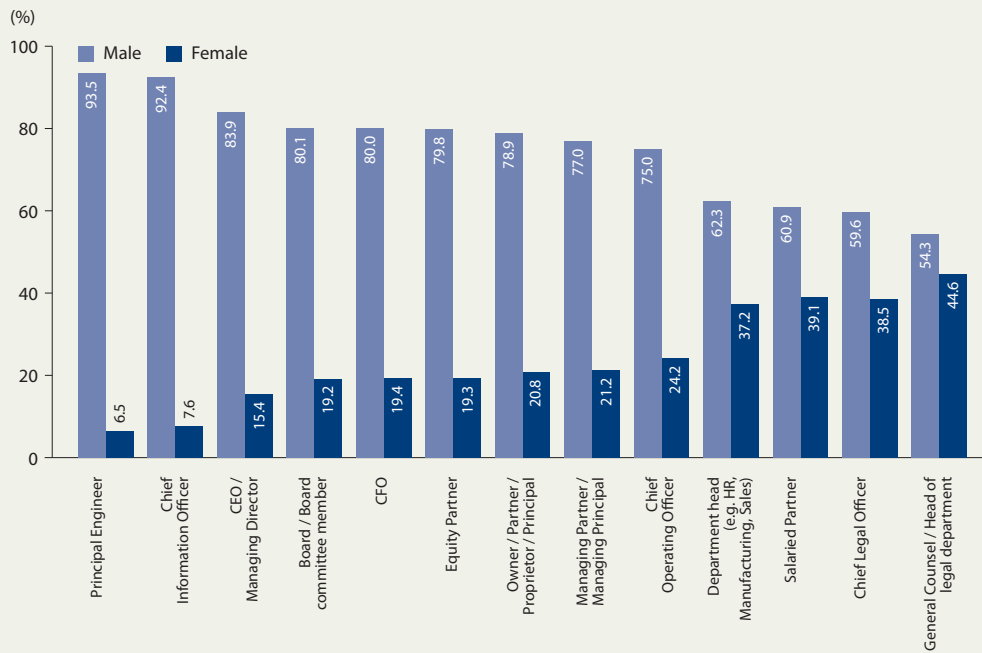


*Note that male and female proportions do not add to 100% as some respondents chose not to disclose their gender

Women absent from senior roles

Women are less likely to hold senior roles across all sectors, but this finding is even more stark in those sectors that are traditionally dominated by men – for example, engineering and IT. In C-suite roles, women are most likely to occupy a Chief Legal Officer role, and least likely to be found in a Chief Information Officer role.

Chart 3: Gender imbalance in senior roles

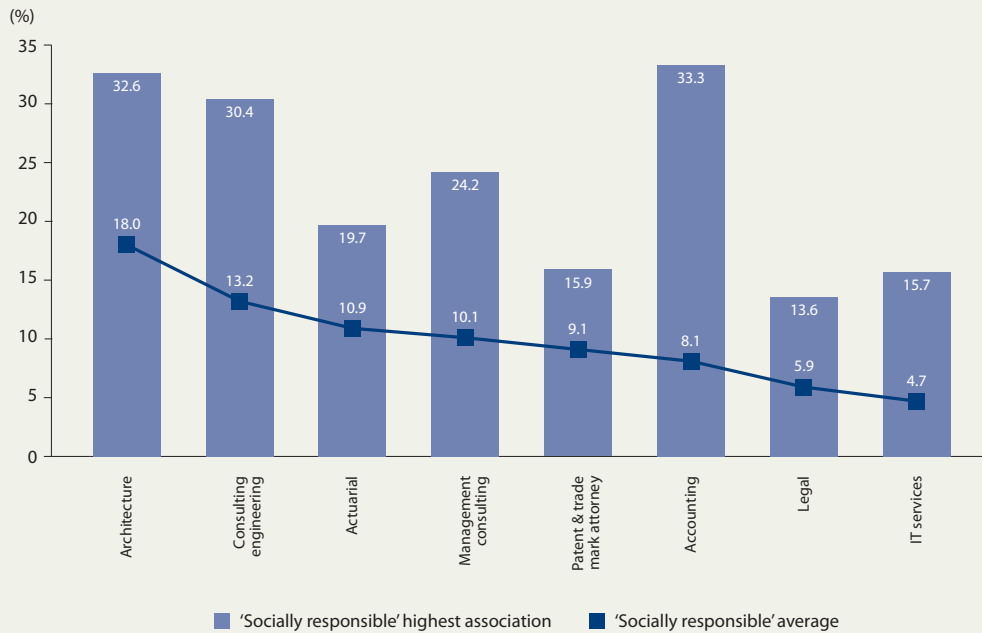


Infrastructure equals 'socially responsible'

The average firm operating in infrastructure – architecture and consulting engineering – is more likely to be considered socially responsible than firms in other sectors. On average, accounting firms are unlikely to be associated with being socially responsible, with the exception of the top tier.

Law firms have a low association with being socially responsible, and no individual firm received greater than 16% association with this attribute. Firms were rated by buyers in their profession.

Chart 4: Which professions are considered to be 'socially responsible'?

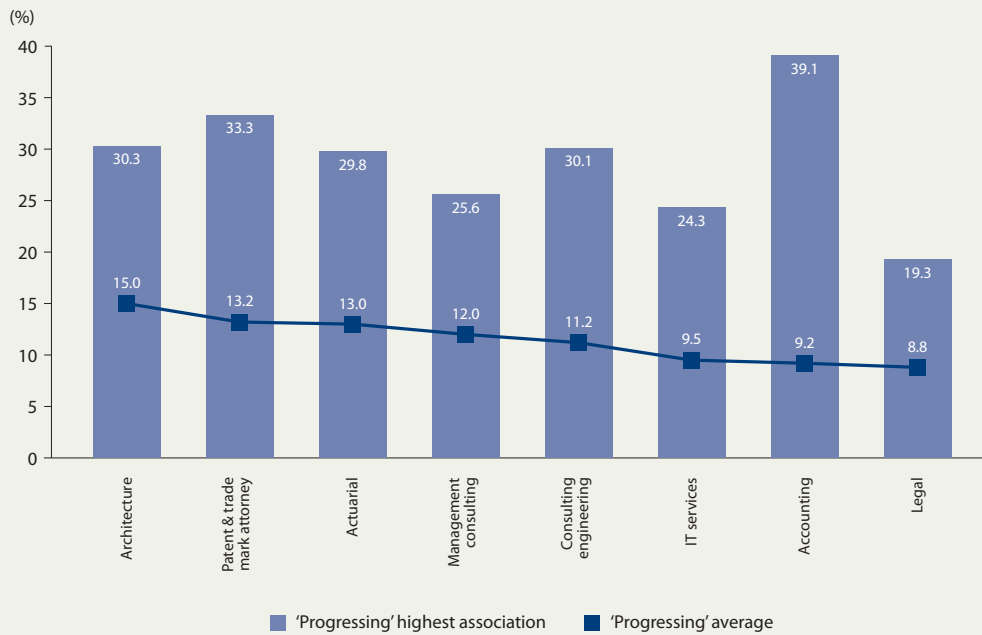


Patent firms are progressing

In a climate where change is rapid, where new technologies alter markets and economic conditions constantly change a firm's competitor set, being seen as 'progressing' is crucial to getting an edge.

Patent and trade mark attorneys are, on average, more likely than firms in other professions, apart from architecture, to be seen as progressing. Law firms are least likely to be seen as progressing.

Chart 5: Which professions are considered to be 'progressing'?



Architects are innovative, actuaries understand industries

Different professions are known for different things; the study measured what buyers of professional services associate firms with, revealing how strongly the firms in each profession are associated with certain attributes.

Overall, the highest brand associations are with 'strong brand' and the lowest are with 'innovative'. Architects have strong associations across the board, with the exception of 'expensive'. Overall, accounting firms had low associations because of the presence of many smaller firms in the market about which buyers know very little.

Brand associations of different professions

Chart 6.1: Which professions are associated with 'innovation'?

(Average association %)

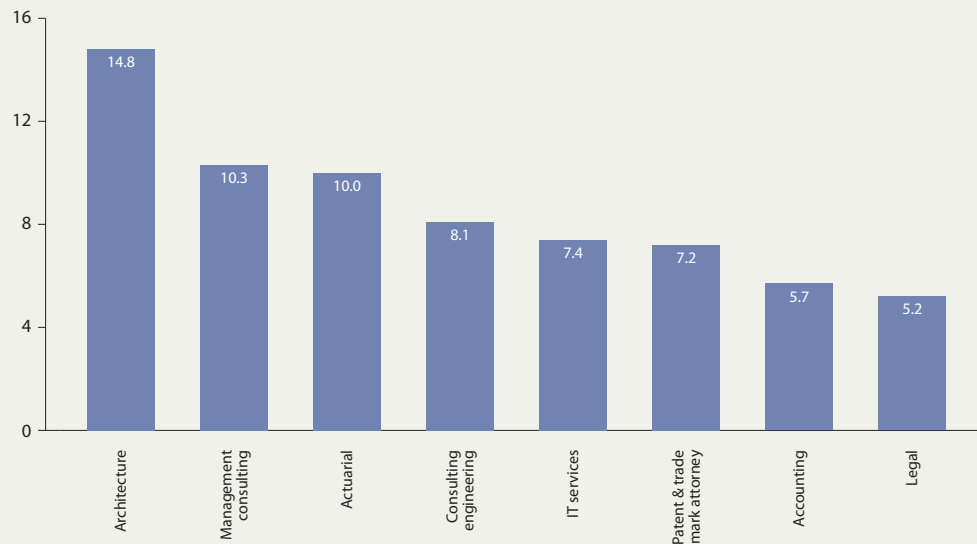


Chart 6.2: Which professions are associated with 'understanding your business / industry'?

(Average association %)

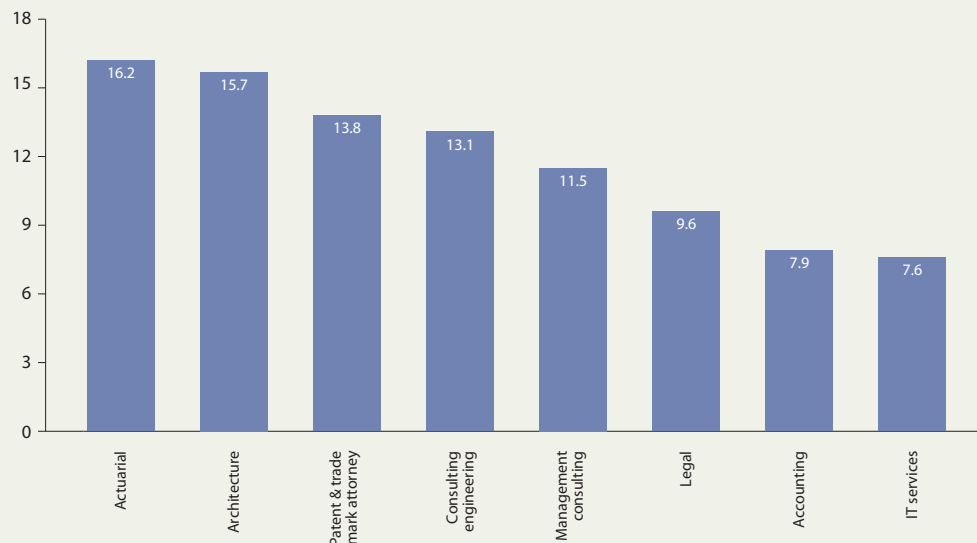


Chart 6.3: Which professions are associated with 'expensive'?

(Average association %)

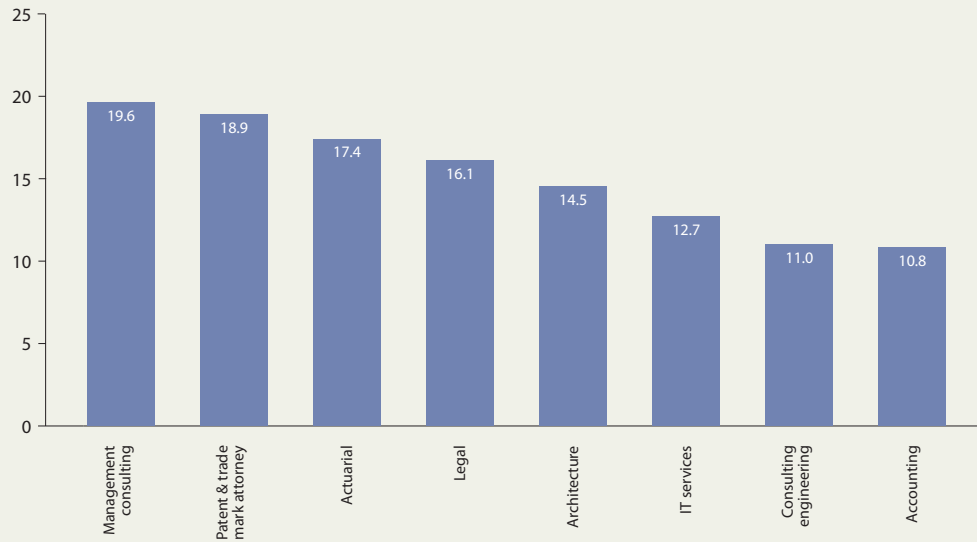


Chart 6.4: Which professions are associated with 'leading expertise'?

(Average association %)

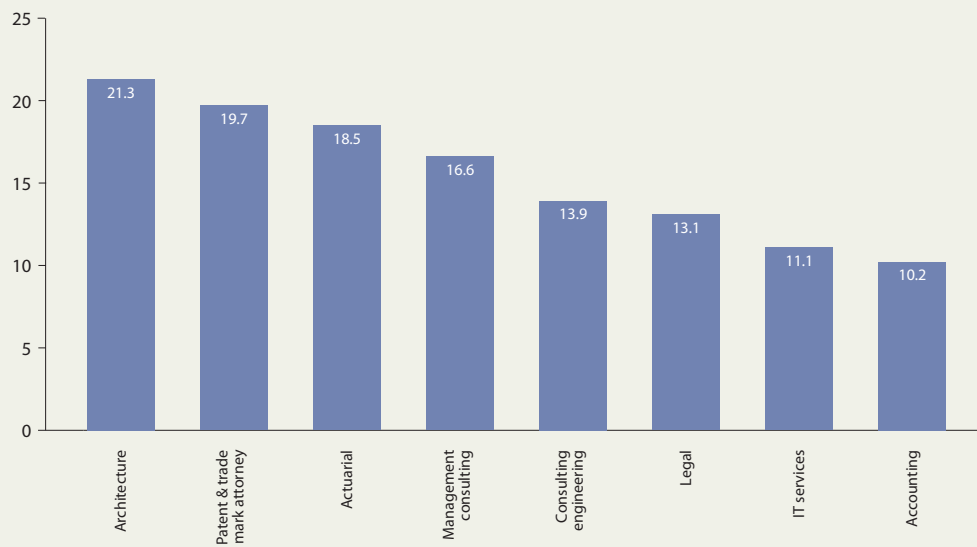


Chart 6.5: Which professions are associated with 'reliability'?

(Average association %)

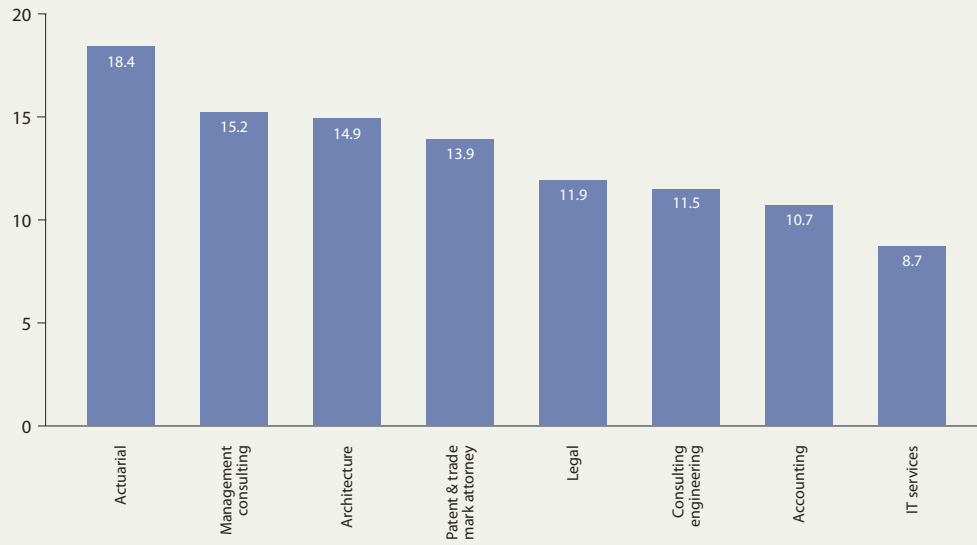
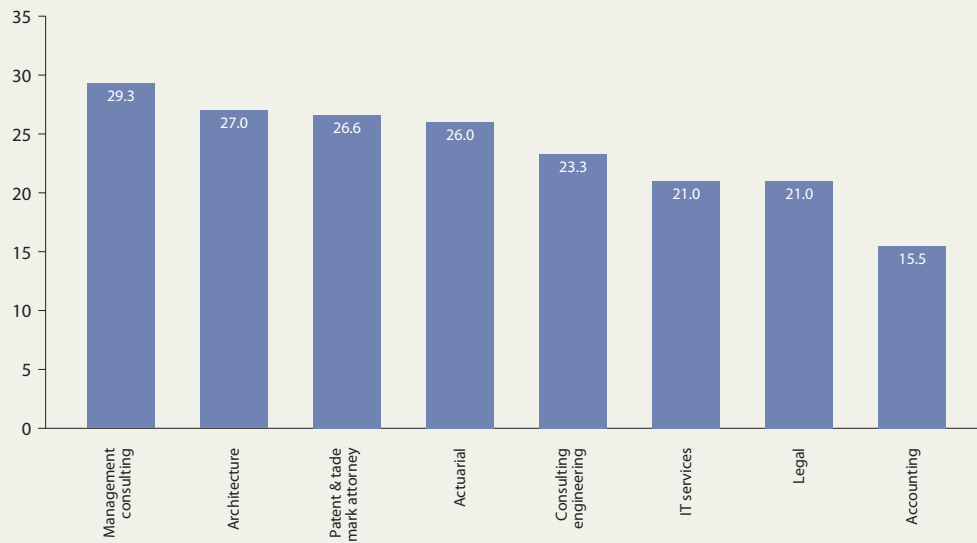


Chart 6.6: Which professions are associated with 'strong brand'?

(Average association %)

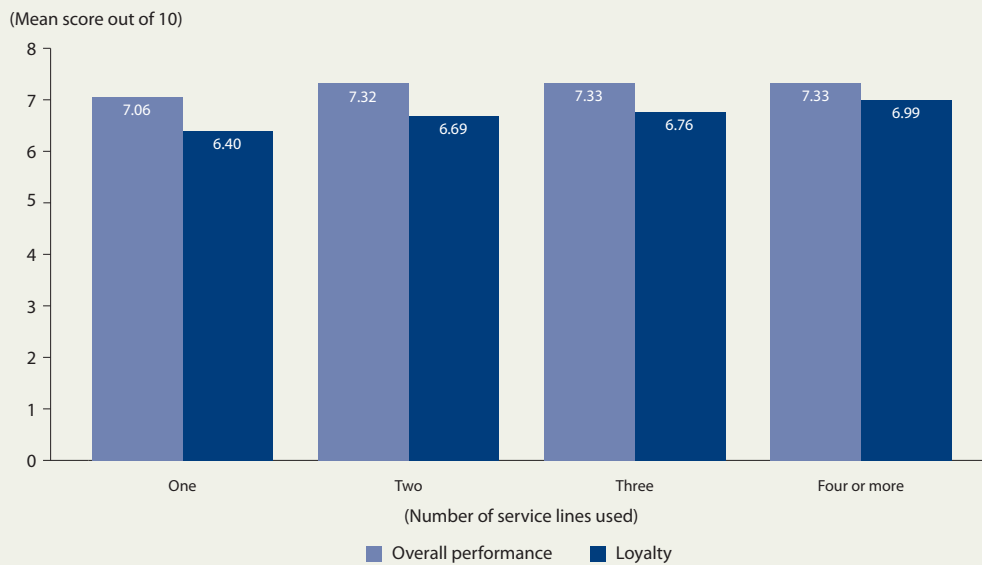


Client loyalty linked to services used

Professional service firms are always working on client-retention strategies – after all, loyal clients are profitable clients. They are also usually putting effort into selling different services to existing clients. However, not too many would be cross-selling as a client-retention strategy – but that’s exactly what the results of the study give evidence for.

The loyalty intentions of the average client increase dramatically if they use more than one service line – the more service lines the client uses, the more loyal they are. They also rate the performance of the firm better when they use more service lines, but average perceptions of performance plateau once clients are using two or more service lines.

Chart 7: Client-rated performance and loyalty intentions



Lack of opportunities forces professionals to leave jobs

Across employees of professional service firms, the major reason – in general terms – why individuals changed jobs in the last 12 months was because they had too few opportunities for career progression (32%). While over a quarter (26%) had an attractive alternative, a similar proportion (25%) had an issue with the leadership of the old firm.

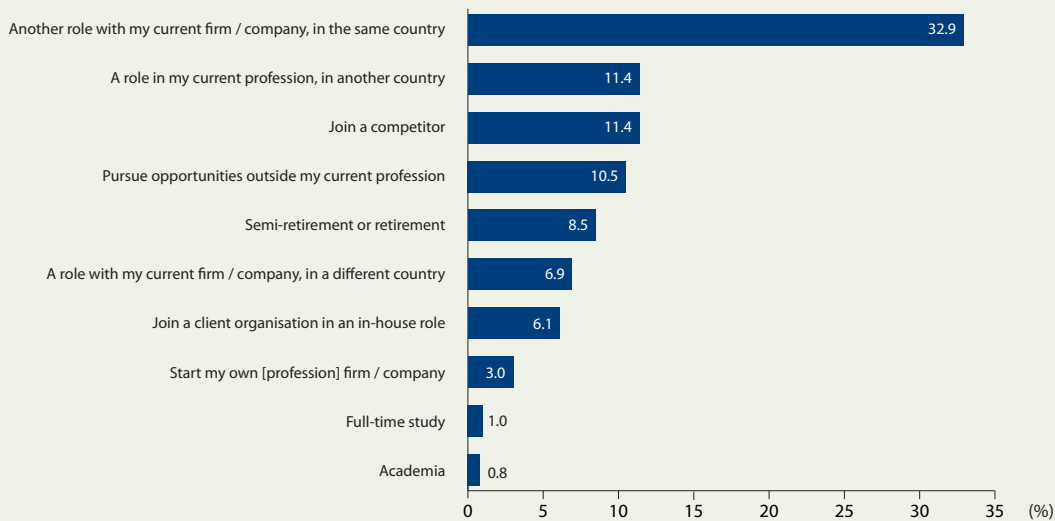
Chart 8: Reasons for switching jobs



Professionals still desire a role overseas

While most professionals say their next career move will be with their current firm in Australia (33%), over 18% are looking forward to a move overseas, either with their firm or otherwise – substantially more than are considering joining a competitor as their next career move (11%). In addition, over 10% are thinking about leaving their profession altogether.

Chart 9: Next career move for professionals



While the talent shortage is less of a focus for firms tackling the challenges of winning and retaining clients in tough economic times, this potential exodus from Australian professional service firms may still pose a problem for employers.

Further research

Various outputs of the ABPS are made available to supporting associations and to professional service firms who subscribe to the results.

The ABPS contains an annual *pro bono* component, designed to put back into the business and professional community. This year's *pro bono* topic is a national study into business ethics, designed in collaboration with St James Ethics Centre.

The full report and a media release on the ethics study will be available from Beaton Consulting from 29 April 2009 onwards.

Research for the 2010 ABPS will commence in late 2009, and the *pro bono* research component will be on the topic of corporate sustainability.

More information

For further information on the findings of the ABPS or about Beaton Consulting, please contact Mel Chee at m.chee@beaton.com.au or (03) 9829 0000.

Beaton Consulting

Beaton Consulting helps professional service organisations succeed by providing insight, advice and guidance.

Advisory

Our work with clients includes:

- Corporate and business strategy
- Profit improvement and turnaround
- Planning
- Marketing and sales strategy
- Retreat facilitation
- Client relationship management
- Pricing
- Governance and structure
- Marketing upskilling programs
- Brand and communications strategy

Research and Benchmarks

Our Research and Benchmarks practice conducts quantitative and qualitative market research on:

- Client satisfaction
- Staff satisfaction
- Brand health (including employer brand)
- Buyer behaviour
- Market perceptions of your firm
- Awareness
- Strengths and weaknesses
- Performance
- Industry benchmarks
- Pricing strategies

Leadership and Change

Beaton Consulting helps you compete through your people:

- Individual performance and career coaching
- Team development and performance
- In-house seminars
- Client and business leadership
- Psychological assessment and feedback
- Leadership development seminars

BEATON CONSULTING



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