

PRESS RELEASE

Date: 31st October 2017

2016 proves to be a good year for Africa's consulting market

2016 was a good year for Africa's consulting market, with the continent's 19 largest markets collectively growing 6.3 per cent to reach a total value of \$2.19billion. This performance was achieved despite growth in GDP slowing in many African nations as economies continue to suffer because of low commodities prices and political uncertainty.

These figures are published in a new report today (31st October 2017) by Source Global Research, the leading research and strategy firm for the global management consulting industry. The report says that two factors also helped growth—an increasing tolerance amongst clients for uncertainty (in Africa as elsewhere) and gains in client maturity.

Digitisation is still at a relatively early stage in Africa, but clients are increasingly interested in how digital solutions can help them to become more efficient and connect with the expanding middle class. The report says that a lack of legacy infrastructure means there are opportunities across Africa to “leapfrog” straight to the latest and greatest new technologies (including a surprisingly strong demand for robotics), and a recent uptick in data & analytics work further suggests a maturing digital landscape.

Edward Haigh, Director at Source Global Research said:

“The growing interest in digitisation is changing how firms operate in Africa. Offering the full scope of capabilities digital requires means bringing together skills and expertise from different silos within firms and/or forming wider ecosystems that allow firms to access resources they don't have in-house. Even so, finding the skills needed to serve the market can be tough.”

Jean-Michel Huet, a Partner at BearingPoint, added:

“We're seeing a lot of digital transformation projects, and that's really new. Just two years ago, nobody was talking about it.”

More./...

2./...

Africa by region

Using the biggest and most sophisticated [model](#) of the global consulting industry, the Source report reveals more detailed performance across 19 of the largest consulting markets in Africa, divided by region:

- **Southern Africa, the continent's biggest consulting buyer**—experienced low growth in 2016 due to South Africa's beleaguered economy and fraught political landscape, despite solid growth elsewhere in the region.
- **Eastern Africa, which has been growing rapidly for many years**—continued the trend in 2016 with consulting revenues increasing about 20 per cent.
- **Western Africa was the continent's second fastest growing consulting market in 2016**—due to strong activity in the region's francophone countries.
- **Northern Africa saw solid, moderate consulting market growth in 2016**—thanks in large part to a mature client base that is able and willing to make use of consulting whether times are good (as in Morocco) or trying (as in Egypt).

The Source report says that in many ways Africa's consulting landscape mirrors the global landscape, with the major multinational accounting, strategy, and technology firms taking the lion's share of the work, while some regional players do very well on the back of their local knowledge and high levels of expertise. The mid-market, meanwhile, is increasingly squeezed, and the prevalence of freelancers contributes to build intense price pressure.

Consultants are optimistic about Africa's prospects through 2018. Most say this will remain a challenging market, but it is set to enjoy improvements in growth rates as clients grow in confidence and maturity and become even more enthusiastic about digital solutions.

For more information on Source reports contact alice.noyelle@sourceforconsulting.com or telephone +44 (0)20 3178 6443 or visit www.sourceforconsulting.com.

-ENDS-

For further information about this press release, please contact:

David Pippett, DWP Public Relations
Tel: +44 (0)1225 335675/+44 (0)7899 798197
Email: david@dwppublicrelations.co.uk

Edward Haigh, Director, Source Global Research
Tel: +44 (0)7912 516913
Email: edward.haigh@sourceglobalresearch.com

More./...

Notes to the editors:

About Source Global Research

Source Global Research (Source) is a leading provider of information about the market for management consulting. Set up in 2007 and with offices in London and Dubai, Source serves both consulting firms and their clients with expert analysis, research, and reporting. Source draw not only on our extensive in-house experience, but also on the breadth of our relationships with both suppliers and buyers.

The Source [global consulting data model](#) is the biggest and most sophisticated model of the consulting industry ever created, and the model on which many of the world's leading consulting firms now base their understanding of the size and shape of the consulting industry. It provides data on market size, growth rates, and forecasts across 29 sectors, six service lines, 84 countries and five firm types.

Source was founded by Fiona Czerniawska. Fiona is one of the world's leading experts on the consulting industry. She has written [numerous books](#) on the industry including: [The Intelligent Client](#) and *The Economist* books, [Business Consulting: A Guide to How it Works and How to Make it Work](#) and [Buying Professional Services](#).

All of Source's work is underpinned by its core values of intelligence, integrity, efficiency, and transparency. For further information, please visit: www.sourceglobalresearch.com

About this report

This Source report is based on quantitative and qualitative research of consulting firms in Africa. The quantitative data contained in this report focuses on consulting done by mid- and large-sized consulting firms (those with more than 50 consultants) and typically includes work they have carried out for mid- and large-sized clients—what Source call “big consulting”. It therefore reflects the “addressable” market for the majority of mid- and large-sized consulting firms; Source don't try to track the long, thin tail of work done by very small firms for very small clients, nor the contractor market, as most readers of this report would not seek or be able to compete with this part of the market. Source analysts work out the addressable size of the market through desk research, identifying the number of firms that meet its criteria and then extrapolates from this to reach a figure for the market as a whole.

Using this definition, Source has built a bottom-up model of the global consulting market from the information it gets from consulting firms and its own research, and they use this to size the industry and its growth rates. This is based on the [Source global consulting model](#) which contains detailed data about almost 1,600 firms, plus higher level estimates about a further 400,000 firms, all with more than 50 consultants apiece, in addition to primary research carried out by Source analysts.

Source needs to emphasise that there are no standard sources of definitions of data within geographies let alone between them. It is, however, confident that the richness of its qualitative data, combined with Source's unparalleled industry expertise, means that this analysis fairly and accurately reflects the state of the market.

All figures given in this report are in US dollars. For reference, Source is using the following exchange rates in its reports this year:

US dollar to British pound \$1 = £0.74
US dollar to euro \$1 = €0.90

In addition to the quantitative research, Source interviewed 30 very senior consultants (typically the most senior person in their country) from most of the leading consulting firms in the region and many smaller local specialists to understand more about how the consulting market is performing, and what the major trends, changes, and challenges are. Throughout the year, Source analysts remain plugged into the global consulting market through its bespoke research and consulting projects, adding further depth to its understanding of the consulting industry.