

## **Enterprise Network – Progress Report**

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THE management and financial consultant Corven Group faced a crisis four years ago. The loss of big contracts had left it so vulnerable that two bad quarters could have caused it to fold, writes Jayesh Ghaghda. However, hard selling and the recruitment of top consultants made sure that Corven not only recovered but doubled the amount of new business. When the Enterprise Network visited the business three years ago it had made pre-tax profits of £1.2m on sales of £41m.

The challenges Recruiting staff who had credibility in its target market -chief executives of FTSE 100 companies -was proving difficult. These "heavy hitters", who needed track records with large consultancies, were a rare breed but essential to growth. An estimated £2m to £3m needed to be raised to support international expansion and avoid the kind of crisis that had occurred the previous year. Ideally, a business angel was required to sit on the board, bringing a wealth of experience as well as giving cash and bringing in new clients. Corven also needed to raise £30m to underpin its venture-capital division, which helped large companies spin out smaller, more entrepreneurial enterprises. What the experts said Overseas expansion would be a drain on resources and should be put on the back burner, said John Furmston of BT. David Wright from the Chartered Institute of Marketing suggested a PR campaign to raise Corven's profile and attract top-calibre consultants. Gary Robertson of Npower said Corven should apply its proposition to itself. The directors should concentrate on consulting, their core business, and stop trying to spread the business too thinly across other areas. Action taken Despite the experts' advice, Francois Austin and the other two founder members opened an American office in Boston with the increased revenue in consulting. "It made sense to have five people there as many of our clients such as National Grid, Transco and BP have American operations," said Austin. The big clients now on Corven's books have helped it to recruit. "We have had growth in a struggling sector; we offer the best salary packages and give staff the freedom to get on with the job. This attracts talented individuals." Corven's venture-capital arm raised the money to buy out Caterham Cars, the sports-car maker, in January. Conclusion Austin feels that two or three more deals the size of Caterham would be ideal for Corven. Caterham Cars has sales of £15m. Corven's turnover is Pounds 10.5m this year and it aims to increase this by 40% next year. The company is now managing the integration of the Inland Revenue and Customs and Excise. "It is the largest public-sector merger yet and a good area for Corven to grow into. We have set out our stall. Now we want to deliver on it by building an infrastructure for good business."