



Rethinking Consultant Compensation Plans for **High-Growth Firms**





Michael Calkins

Account Executive, BigTime

- 30+ Years in Service Delivery
 - Consultant, PM (PMP), Executive roles in Service Organizations
 - COO in International Consulting Company
- Managed Teams up to 200 Resources

Poll: What is your role?

Poll: Is your organization using utilization as an element in compensation?

Today's agenda

- Why this topic is important Today
- A consultant's point of view on rewarding a metric like utilization
- The effect of not having the right elements in a compensation plan
- Is there a place to compensate for utilization?
- What should be part of a consultant's compensation plan?
- Example plan that supports organization growth



We want to hear from you!

After each section we will be taking questions.

Why this is important

57%

of candidates report incentives as one of their top considerations for before accepting a job, according to Glassdoor.

- “In a shrinking labor market, **getting compensation right is a critical** component of any strategic approach to talent acquisition and retention,” according to PayScale.
- Employees today are driven by **personal growth over organizational achievements** and value a feeling of autonomy and mastery over how they do their jobs.
- To attract top candidates, **you need to stand out from the competition** and offering unique incentive schemes could do just that. It could be the reason a candidate chooses your company over another one.

A consultant's point of view

I wish I could **control** my own compensation outcome.

You want me to work on BD, but that **isn't billable** and I won't get credit.

I **don't understand** my incentive plan, or how to achieve it.

This is **unfair**. I don't get to pick the projects I want to work on.

Organizational effects with a utilization focus

Organizational effects:

**Lack of
collaboration**

**Limited growth
and development**

**Missed
organizational
goals**

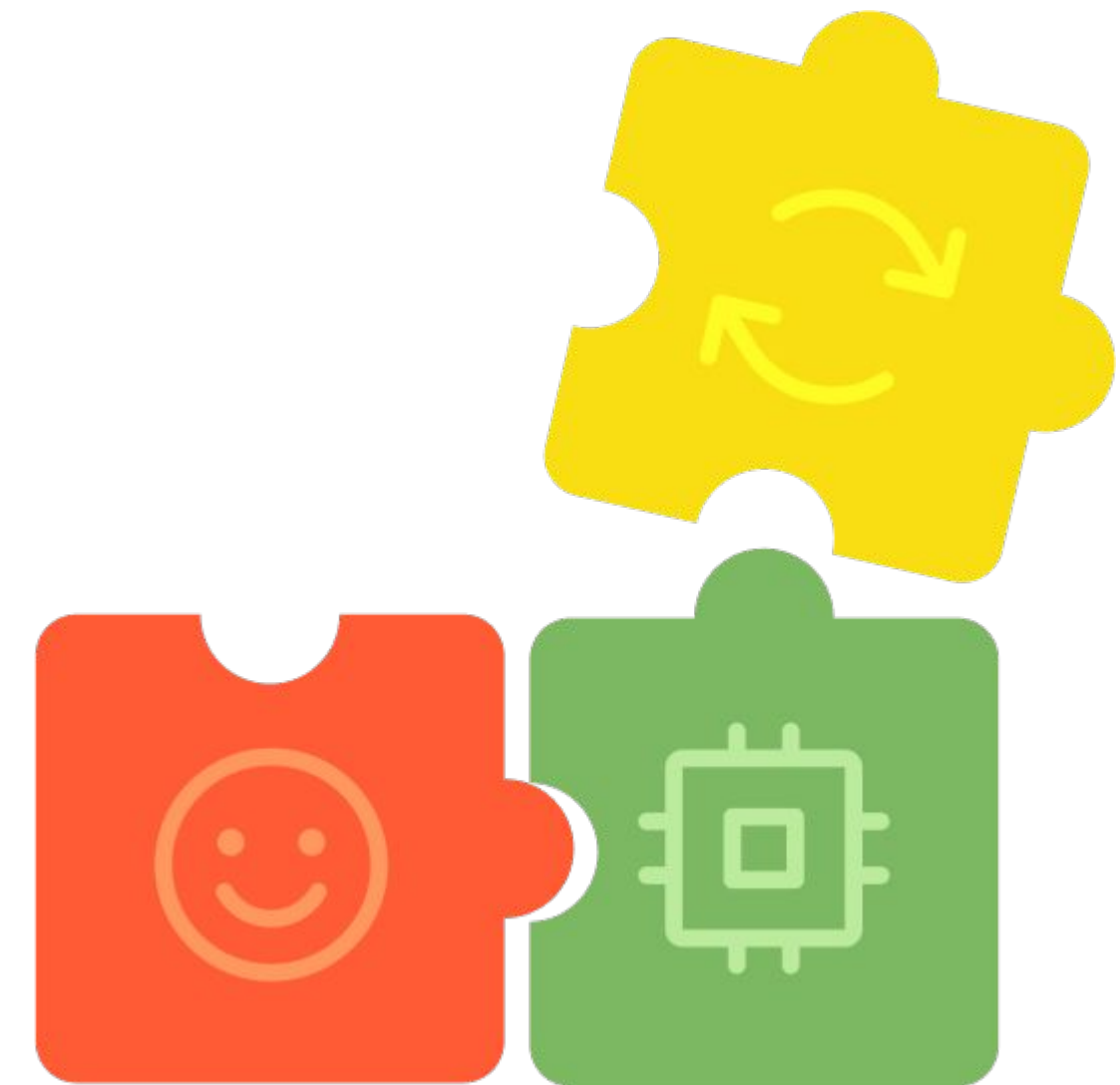
**Reduced trust
and relationships**

**Negative impact
on organizational
culture**



Placing the KPI where it belongs

The management team is where staffing decisions are made, where strategic plans are developed and deployed, and where ultimately, utilization responsibility must rest.

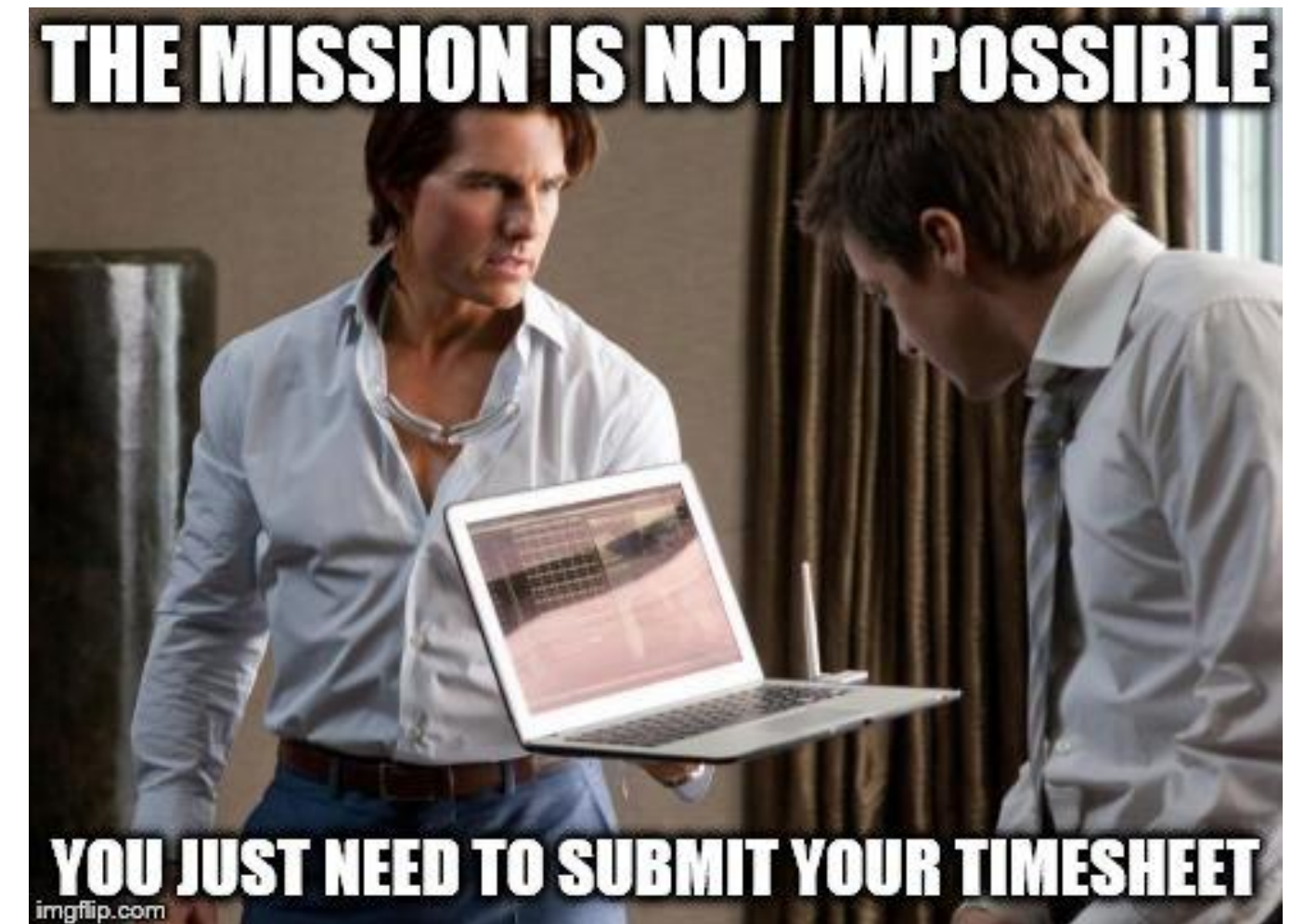


Poll: What would you like to see happen in your organization?

A different approach

The 8 facets that should be a part of a consultant's compensation plan

1. How are you making others around you better?
2. Do your clients recognize your work?
3. Are you accountable for your expected project efforts?
4. What have you contributed to the organization's Intellectual Property (IP)?
5. What opportunities are you bringing to sales or the management team?
6. Are your timesheets, expenses, and status reports always submitted correctly and on time?
7. Have you published articles, become active on blogs, or presented?
8. Employees should be able to control their compensation outcomes.



**A sample of this
approach in practice**

NAME: SUSIE Q	DATE REVIEWED: December 20, 2023	PROFESSIONAL SERVICES GOALS & ASSESSMENT SAMPLE PLAN
DATE ASSIGNED: January 1, 2022	REVIEWER: Michael Calkins	
BONUS TARGET: \$15,000.00		

TOTALS:	100%	0%	\$16,200.00	\$0.00	
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ASSESSMENT MEASURES	WEIGHT	ATTAINED	POTENTIAL \$	EARNED \$	NOTES
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EVALUATION MEASURES	40%	0%	\$6,000.00	\$0.00	
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Customer Review	10%		\$1,500.00	\$0.00	
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>= 4.50: 100%
>=3.75: 75%
>=3.00: 50%

Management Review	20%		\$3,000.00	\$0.00	
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>= 4.50: 100%
>=3.75: 75%
>=3.00: 50%

Peer Review	10%		\$1,500.00	\$0.00	
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>= 4.50: 100%
>=3.75: 75%
>=3.00: 50%

ORGANIZATION MEASURES	45%	0%	\$6,750.00	\$0.00	
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T&E TIMELINESS	10%		\$1,500.00	\$0.00	
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Timesheets: % earned is equal to % submitted on time
Expenses: % earned is equal to % submitted on time

TIME BILLED VS TIME BOOKED	10%		\$1,500.00	\$0.00	
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Entered 100% of Time allocated to projects tasks on Timecards: 100%
Entered 80% of Time allocated to projects tasks on Timecards: 75%

INTERNAL ARTIFACT CONTRIBUTION	10%		\$1,500.00	\$0.00	
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Add more than 8 pieces of collateral: 100%
Add more than 5 pieces of collateral: 75%
Add more than 3 pieces of collateral: 50%
Add more than 2 pieces of collateral: 25%

OPPORTUNITY AWARENESS	10%		\$1,500.00	\$0.00	
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Collect and Present details of at least 2 Growth Opportunities to Sales Team: 100%
Collect and Present details of a Growth Opportunity to the Sales Team: 50%

EXTERNAL CONTENT CREATION	5%		\$750.00	\$0.00	
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Published or Presented more than 3 content pieces: 100%
Published or Presented a content piece: 50%

INDIVIDUAL GOALS	15%	0%	\$2,250.00	\$0.00	
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1-Attain PMP Certification: 100%	10%		\$1,500.00	\$0.00	
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2-Master <> solution functionality, shown in demo: 100%	5%		\$750.00	\$0.00	
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BONUS MEASURES	8%	0%	\$1,200.00	\$0.00	
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MANAGER RECEIVED INDIVIDUAL RECOGNITION FROM A CUSTOMER	2%		\$300.00	\$0.00	
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COMPLETED MENTORING ASSIGNMENT TO MANAGER ACCEPTANCE	3%		\$450.00	\$0.00	
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ASSISTED IN SALES ACTIVITIES	3%		\$450.00	\$0.00	
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NAME: SUSIE Q	DATE REVIEWED: December 20, 2023	PROFESSIONAL SERVICES GOALS & ASSESSMENT SAMPLE PLAN
DATE ASSIGNED: January 1, 2022	REVIEWER: Michael Calkins	
BONUS TARGET: \$10,000.00		

TOTALS:	100%	0%	\$10,800.00	\$0.00
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ASSESSMENT MEASURES	WEIGHT	ATTAINED	POTENTIAL \$	EARNED \$	NOTES
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EVALUATION MEASURES	40%	0%	\$4,000.00	\$0.00	
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Customer Review	10%		\$1,000.00	\$0.00	
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Favorable in 100% of Engagements: 100%
Favorable in 90% of Engagements: 75%

Project Management Review	20%		\$2,000.00	\$0.00	
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Favorable in 100% of Engagements: 100%
Favorable in 90% of Engagements: 75%

Peer Review	10%		\$1,000.00	\$0.00	
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>= 4.50: 100%
>=3.75: 75%
>=3.00: 50%

ORGANIZATION MEASURES	35%	0%	\$3,500.00	\$0.00	
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T&E TIMELINESS	10%		\$1,000.00	\$0.00	
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Timesheets: % earned is equal to % submitted on time
Expenses: % earned is equal to % submitted on time

TIME BILLED VS TIME BOOKED	10%		\$1,000.00	\$0.00	
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Entered 100% of Time allocated to projects tasks on Timecards: 100%
Entered 80% of Time allocated to projects tasks on Timecards: 75%

INTERNAL ARTIFACT CONTRIBUTION	10%		\$1,000.00	\$0.00	
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Add more than 5 pieces of collateral: 100%
Add more than 3 pieces of collateral: 75%

OPPORTUNITY AWARENESS	5%		\$500.00	\$0.00	
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Collect and Present details of at least 2 Growth Opportunities to Sales Team: 100%
Collect and Present details of a Growth Opportunity to the Sales Team: 50%

INDIVIDUAL GOALS	25%	0%	\$2,500.00	\$0.00	
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1-Attain SCRUM Certification	15%		\$1,500.00	\$0.00	
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2-Present at a Lunch-and-Learn	10%		\$1,000.00	\$0.00	
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BONUS MEASURES	8%	0%	\$800.00	\$0.00	
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MANAGER RECEIVED INDIVIDUAL RECOGNITION FROM A CUSTOMER	3%		\$300.00	\$0.00	
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MANAGER RECEIVED INDIVIDUAL RECOGNITION FROM A PEER	2%		\$200.00	\$0.00	
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ASSISTED IN SALES ACTIVITIES	3%		\$300.00	\$0.00	
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NAME: SUSIE Q	DATE ASSIGNED: January 1, 2022	DATE REVIEWED: December 20, 2023	PROFESSIONAL SERVICES GOALS & ASSESSMENT SAMPLE PLAN		
BONUS TARGET: \$15,000.00		REVIEWER: Michael Calkins			

TOTALS:		100%	85%	\$16,200.00	\$13,845.00	
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ASSESSMENT MEASURES	WEIGHT	ATTAINED	POTENTIAL \$	EARNED \$	NOTES
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EVALUATION MEASURES	40%	88%	\$6,000.00	\$5,250.00	
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Customer Review	10%	100%	\$1,500.00	\$1,500.00	all but 1 project engagements with viewed favorably by the customer
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Favorable in 100% of Engagements: 100%
Favorable in 90% of Engagements: 75%

Management Review	20%	75%	\$3,000.00	\$2,250.00	scored an average of 4.00
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>= 4.50: 100%
>=3.75: 75%
>=3.00: 50%

Peer Review	10%	100%	\$1,500.00	\$1,500.00	scored an average of 5.00
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>= 4.50: 100%
>=3.75: 75%
>=3.00: 50%

ORGANIZATION MEASURES	45%	87%	\$6,750.00	\$5,895.00	
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T&E TIMELINESS	10%	93%	\$1,500.00	\$1,395.00	
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Timesheets: % earned is equal to % submitted on time 7% 90% \$1,050.00 \$945.00 Submitted on time 90% of the time
Expenses: % earned is equal to % submitted on time 3% 100% \$450.00 \$450.00 Submitted on time 100% of the time

INTERNAL ARTIFACT CONTRIBUTION	20%	100%	\$3,000.00	\$3,000.00	added 15 articles & training materials to our IP as well as input into our methodology
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Add more than 8 pieces of collateral: 100%
Add more than 5 pieces of collateral: 75%
Add more than 3 pieces of collateral: 50%
Add more than 2 pieces of collateral: 25%

OPPORTUNITY AWARENESS	10%	50%	\$1,500.00	\$750.00	brought attention to new group within NGE account
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Collect and Present details of at least 2 Growth Opportunities to Sales Team: 100%
Collect and Present details of a Growth Opportunity to the Sales Team: 50%

EXTERNAL CONTENT CREATION	5%	100%	\$750.00	\$750.00	wrote a blog post on the website, published 3 LinkedIn articles
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Published or Presented more than 3 content pieces: 100%
Published or Presented a content piece: 50%

INDIVIDUAL GOALS	15%	100%	\$2,250.00	\$2,250.00	
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1-Attain PMP Certification	10%	100%	\$1,500.00	\$1,500.00	passed exam on October 12th
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2-Master <-> solution functionality, shown in demo	5%	100%	\$750.00	\$750.00	demoed on 10/17 - knows solution well
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BONUS MEASURES	8%	38%	\$1,200.00	\$450.00	
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MANAGER RECEIVED INDIVIDUAL RECOGNITION FROM A CUSTOMER	2%		\$300.00	\$0.00	
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COMPLETED MENTORING ASSIGNMENT TO MANAGER ACCEPTANCE	3%	100%	\$450.00	\$450.00	mentored Joyce who appreciated Susie's time
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ASSISTED IN SALES ACTIVITIES	3%		\$450.00	\$0.00	
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Questions?

We move your business forward.

BigTime Software



- 1 Founded in 2002**
 - 2022 investment from Vista Equity Partners and acquired Projector PSA
 - ~160 BigTimers in 5 US locations / Chicago HQ
- 2 Over 2,700 active businesses**
 - 60,000+ active clients
- 3 Mission critical solution**
 - \$5bn USD in time tracked per year
 - \$4bn in invoices processed per year
- 4 Best in class**
 - G2 Leader in 7 categories
 - #1 in PSA software customer satisfaction

Thank you!

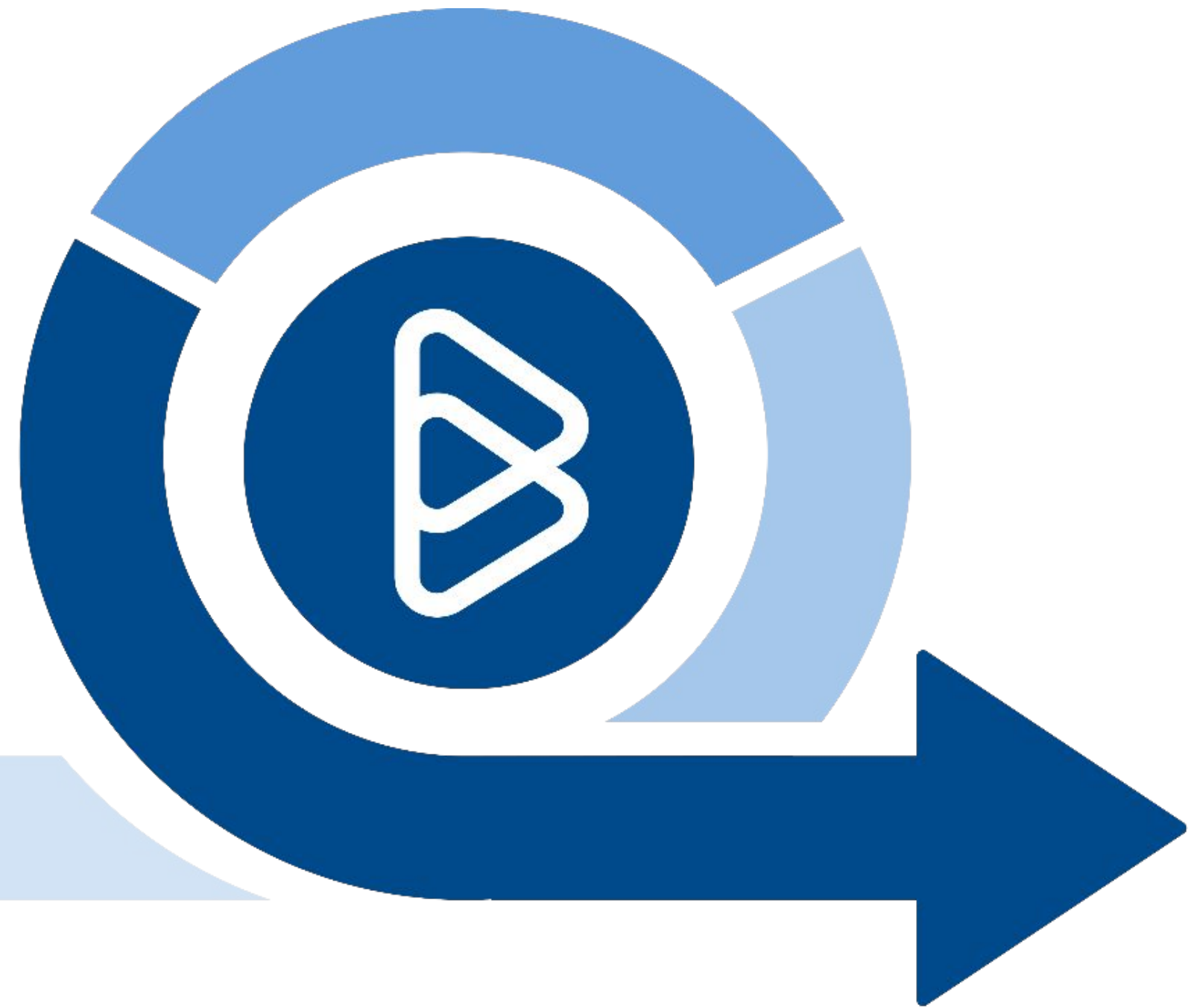


marketing@bigtime.net
bigtime.net/demo

If you are interested in learning how a PSA (Professional Services Automation) solution could be beneficial, PLEASE STAY WITH US!



**What a PSA
Solution can
do for you**



Scaling a professional services organization has many challenges



Balancing client & business demands



Juggling staff & project requirements



Excessive time spent on Admin tasks



Working within systems that don't "talk" to each other

**Siloed data
and manual
processes
don't help...**



There are significant costs to inefficient operations



100+ lost hours per consultant per year



4.2% Revenue leakage



17% lower on-time delivery

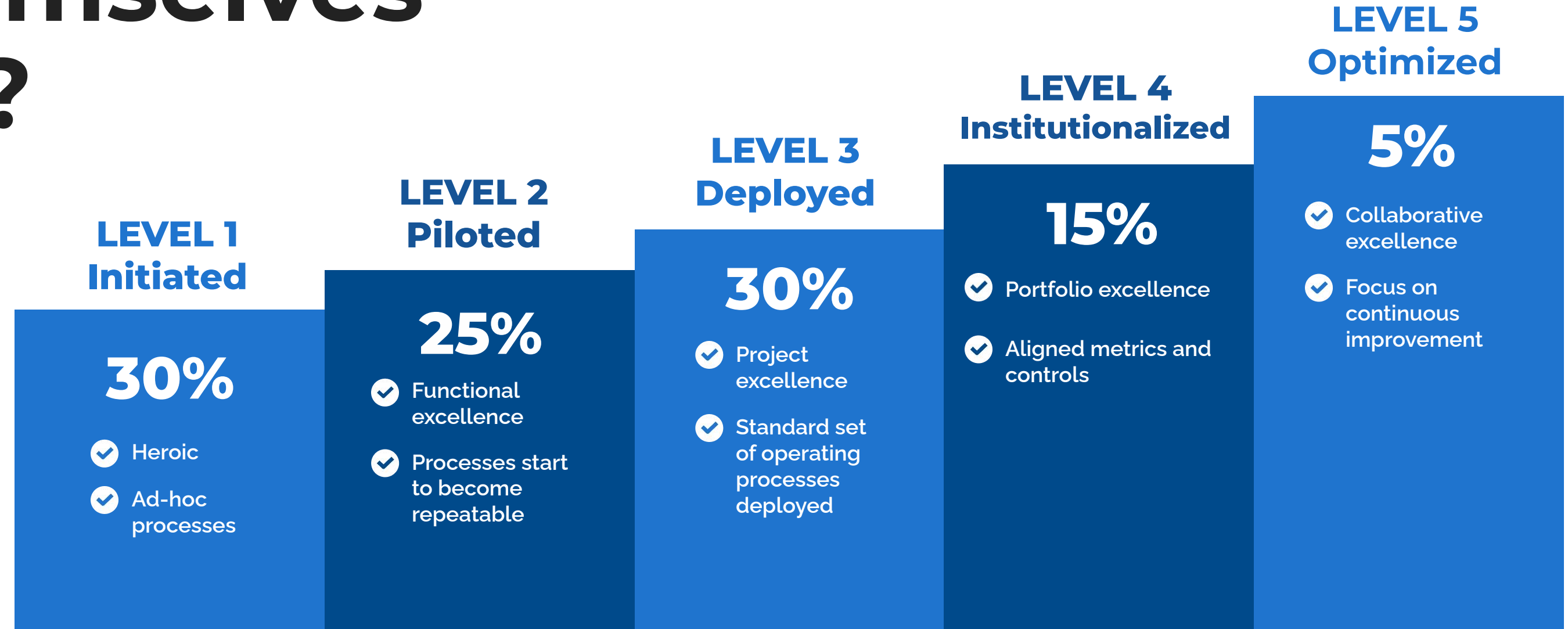


11% higher employee attrition

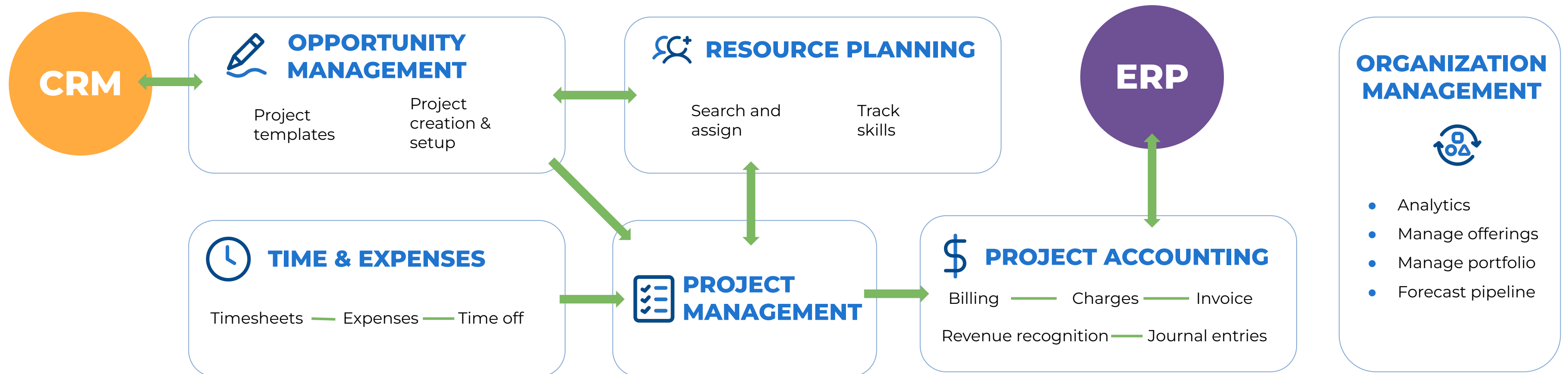
How do the best organizations align themselves for scale?

SERVICES MATURITY™ MODEL LEVELS

Source: SPI Research, February 2023



PSA software provides a unified and essential operational system



What makes BigTime different?



Enterprise Grade

Built for scale
and operational
maturity



Speed to Value

Implementations done
right, done efficiently



Best Results

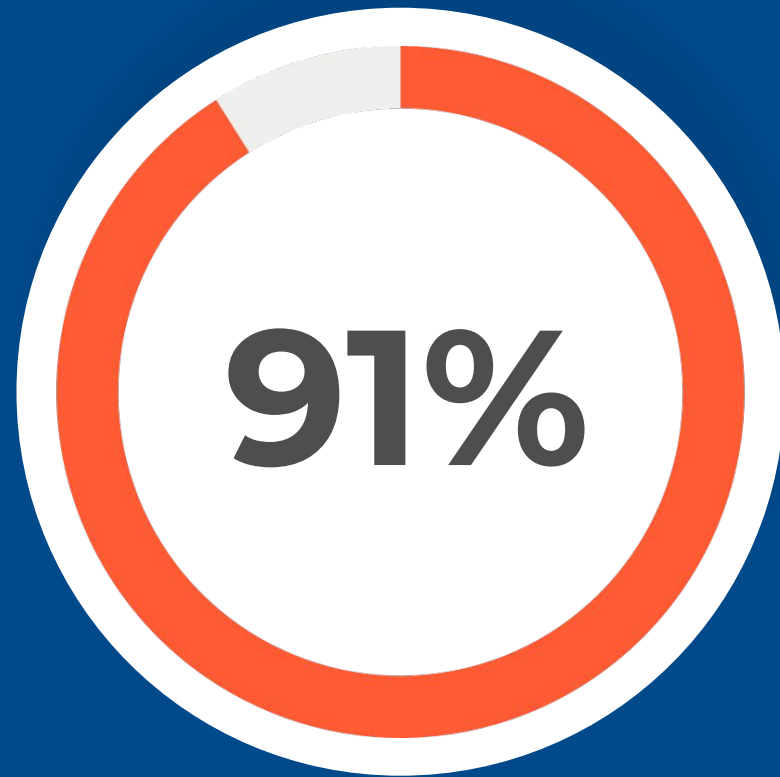
Industry leading
results, highest
client satisfaction



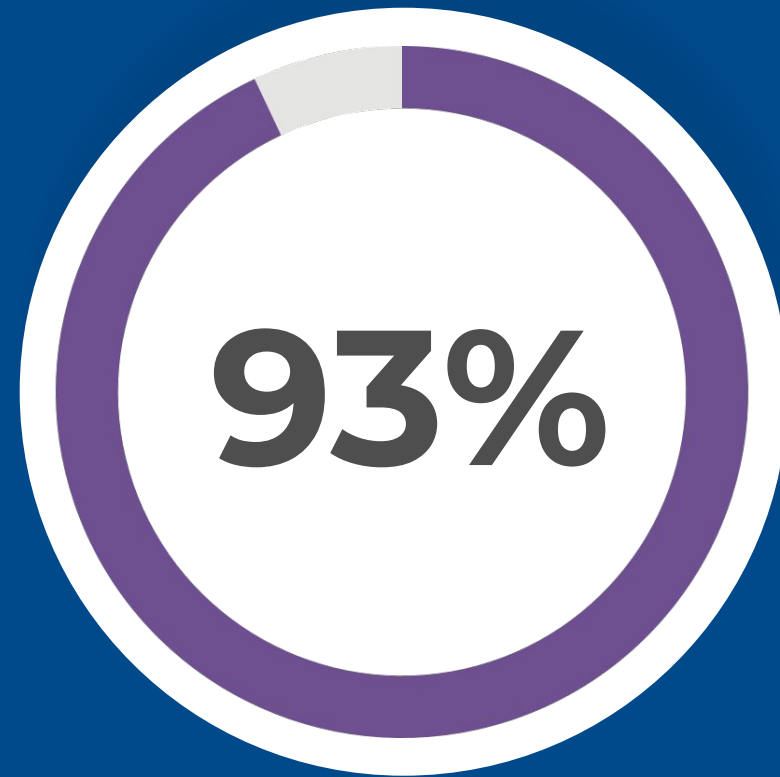
Trusted Partner

More than just
great software

Balance brings results



of invoices paid on time



of projects on or within budget



average increase in productivity (vs. other PSA)



of customers make more proactive business decisions

Thank you!



marketing@bigtime.net
bigtime.net/demo