

SPI Research Publishes the 2018 Professional Services Maturity Benchmark

Surge in Professional Services Hiring and Profit!

SAN FRANCISCO, CA, US, February 13, 2018 /EINPresswire.com/ -- According to [SPI Research](#), the leading independent technology services research firm, the 11th annual Professional Services Maturity™ [Benchmark](#) revealed headcount growth soared to its highest level in over 10 years. Year over year PS revenue growth, for the 2nd year in a row, dropped below 10% to 8%, but PS job creation rose to a new high of 9.3% as skilled millennial workers continued to surpass retiring baby boomers to become one of the largest cohorts.

The consulting job market is white-hot but appears to have stabilized somewhat as voluntary and involuntary attrition declined to 12.4% from its peak in 2016 of 13.5%.

The 456 PS organizations represented in this benchmark employ over 158,000 consultants who each produced, on average, \$196,000 in annual revenue; collectively these firms generated over \$25 billion in PS revenue. With improvement in most major metrics, firms reported significantly higher year over year earnings with average net profit moving up from 14.2% in 2016 to 16.8% in 2017. This is the highest average net profit ever reported in this benchmark.

Many leading indicators improved in 2017. Project backlog grew from 45.6% to 46.2% while consultant billable utilization increased from 70.4% to 71.5%. Higher utilization, combined with a richer percentage of billable headcount (75.5% in 2017 versus 74.6% in 2016) were the primary catalysts for profit improvements.

In the face of global economic growth, the overall fundamentals of the Professional Services industry remain very strong with PSOs making tremendous strides in improving productivity. Today far less time and cost are spent on administration and travel as PS-specific business applications have enhanced productivity and virtual consulting delivery has reduced the burden and cost of travel.

Using information that is typically confidential, such as detailed income statements, the 231-page report analyzes 160 key performance metrics and includes 239 supporting charts and graphs.

The report contains income statements and expense ratios for ten professional service (PS) vertical markets — including accounting, advertising, engineering, government contractors, hardware and networking, IT consulting, management consulting, software and SaaS. Profiles and success tips



from this year's Best-of-the-Best firms deliver fresh insights.

The eleventh annual benchmark from [Service Performance Insight](#) draws on a database of over 3,000 PS organizations to provide an in-depth analysis of PS metrics and performance. Purchase the report here for \$1,495. <http://www.spiresearch.com/spi-research/reports/2018psmb.html>

About Service Performance Insight

Service Performance Insight is a global research and consulting company dedicated to helping professional services organizations make quantum improvements in productivity and profit. In 2007, SPI developed the PS Maturity Model™ as a strategic planning and management framework which has become the industry-leading performance improvement tool used by over 20,000 service and project-oriented organizations to chart their course to services excellence.

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