

7 Mile Advisors



Sectorwatch: Management Consulting

August 2021



Management Consulting

- 4 [Sector Dashboard](#)
- 5 [Public Basket Overview](#)
- 6 [Public Basket Performance](#)
- 8 [Operational Metrics](#)
- 11 [Valuation Comparison](#)
- 14 [Recent Deals](#)
- 15 [Appendix](#)

Overview

7MA provides Investment Banking & Advisory Services to the Business Services and Technology Industries globally.

We advise on M&A and private capital transactions and provide market assessments and benchmarking. As a close-knit team with a long history together and a laser focus on our target markets, we help our clients sell their companies, raise capital, grow through acquisitions, and evaluate new markets.

We publish our sectorwatch, a review of M&A and operational trends in the industries we focus.

DASHBOARD

- Summary metrics on the sector
- Commentary on market momentum by comparing the most recent 12-month performance against the last 3-year averages.

PUBLIC BASKET PERFORMANCE

- Summary valuation and operating metrics for a basket of comparable public companies.

VALUATION COMPARISON

- Graphical, detailed comparison of valuation multiples for the public basket.

RECENT DEALS

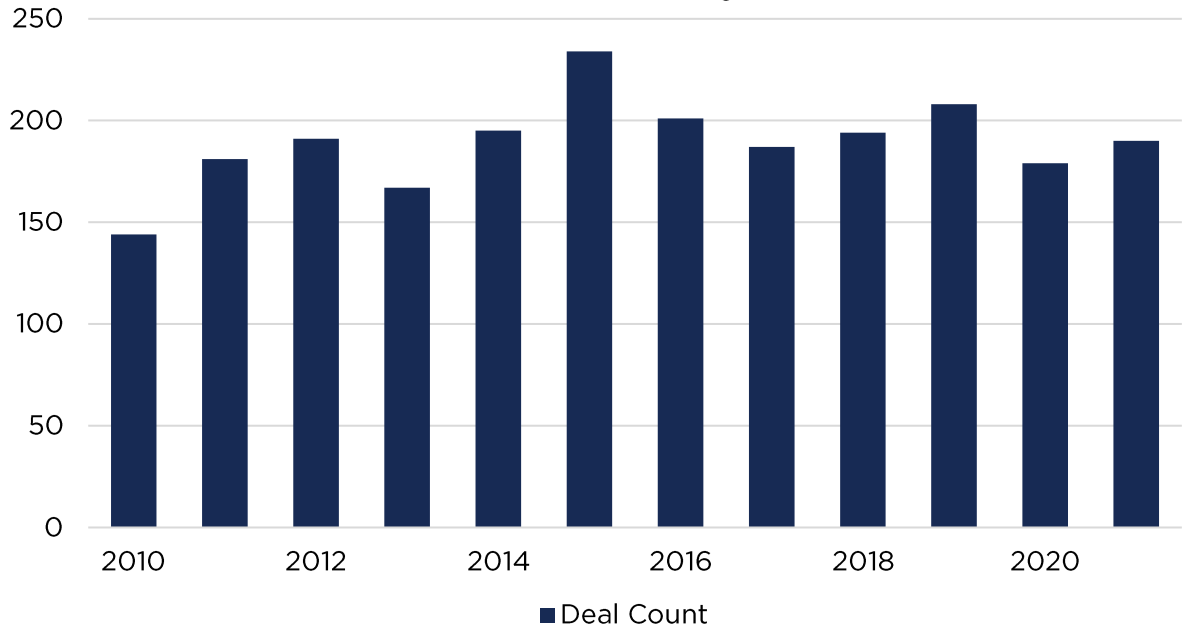
- The most recently announced deals in the sector

Dashboard

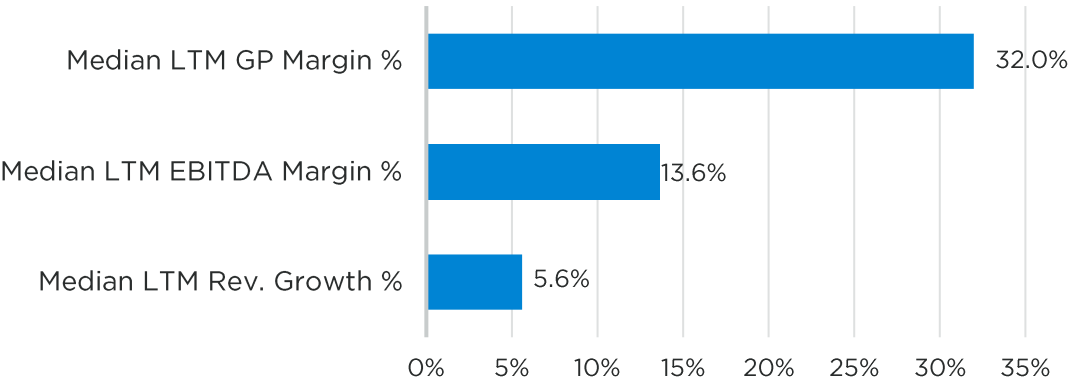
REVENUE GROWTH MOMENTUM ↓ -2.1%

1 - year revenue growth compared to revenue growth average for last 3 years - Current revenue growth rate is less than the average of the last 3 years, indicating that the market may be flattening or declining

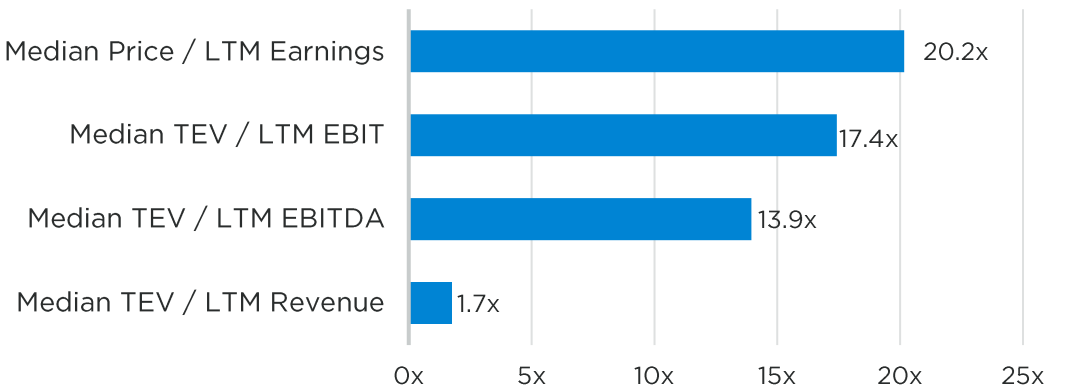
M&A Activity



Operating Metrics



Valuation



Public Basket Overview

Management
Consulting

Commercial Services

 The Hackett Group
World Class Defined and Enabled 

 **FTI**
CONSULTING
GLOBAL 

IT Services

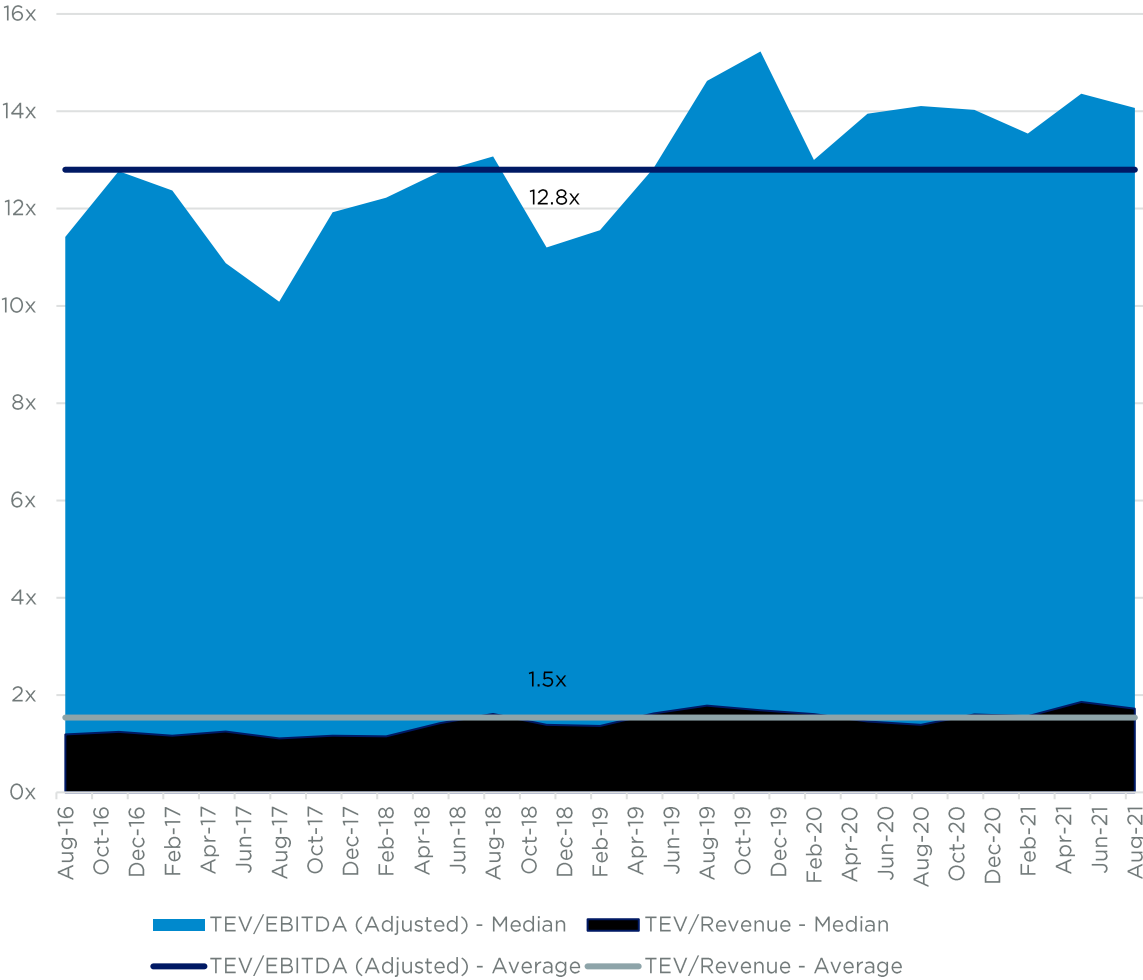
 **ICF**  **accenture** 

Public Basket

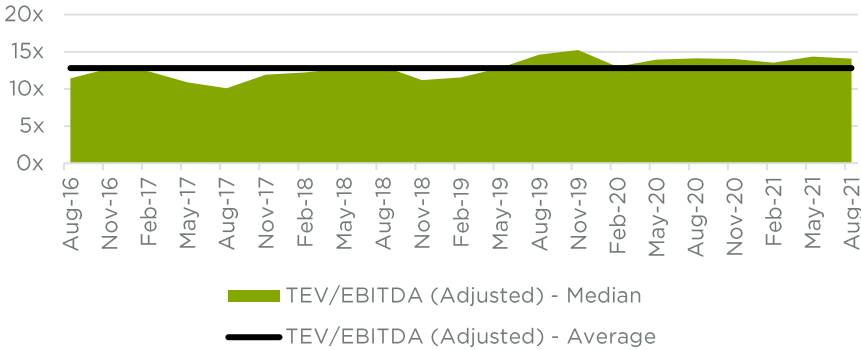
Company	TEV \$m	LTM EBITDA \$m	LTM Rev \$m	Rev Growth YoY	GP %	EBITDA %	TEV / Rev X	TEV / EBITDA X	# FTEs	Rev / FTE \$k
Accenture	207,410	8,007	47,949	7.6%	32.0%	16.7%	4.3x	25.9x	514,000	93
Booz Allen	13,615	841	7,892	3.9%	53.5%	10.7%	1.7x	16.2x	27,600	286
FTI Consulting	5,154	371	2,647	9.9%	31.4%	14.0%	1.9x	13.9x	6,321	419
ICF International	2,220	159	1,566	5.6%	36.3%	10.2%	1.4x	13.9x	7,500	209
Huron Consulting Group	1,430	96	847	-11.9%	28.4%	11.4%	1.7x	14.8x	3,807	222
Charles River Associates	864	75	554	14.4%	27.8%	13.6%	1.6x	11.4x	831	667
The Hackett Group	537	49	254	-3.9%	35.7%	19.5%	2.1x	10.8x	1,047	242
Average	33,033	1,371	8,815	3.7%	35.0%	13.7%	2.1x	15.3x	80,158	305
Median	2,220	159	1,566	5.6%	32.0%	13.6%	1.7x	13.9x	6,321	242

share price as of 31Aug21

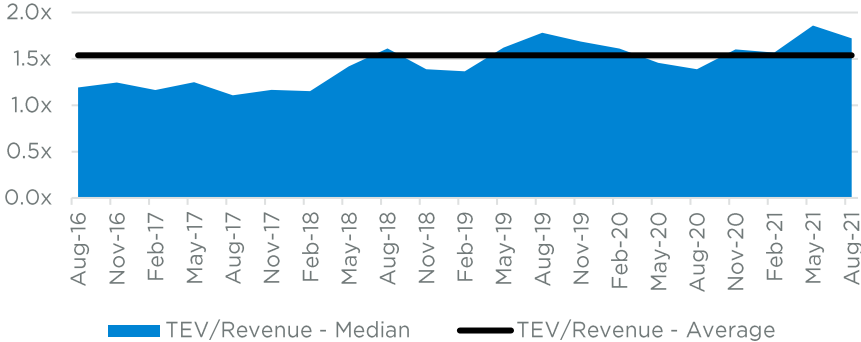
Public Basket



Public EBITDA Multiples over Time

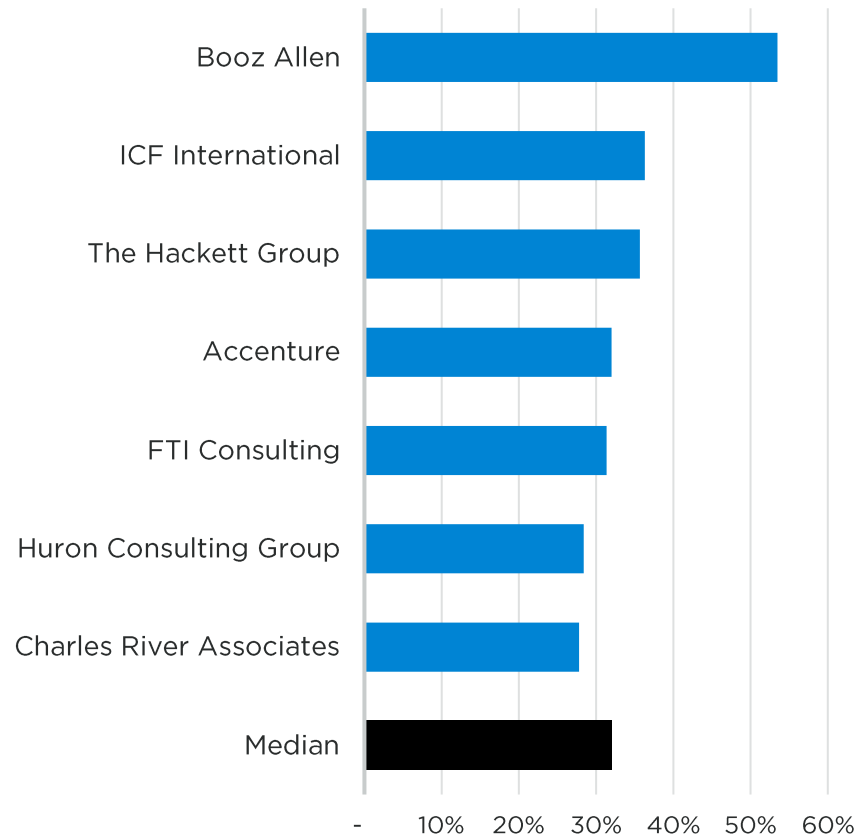


Public Revenue Multiples over Time

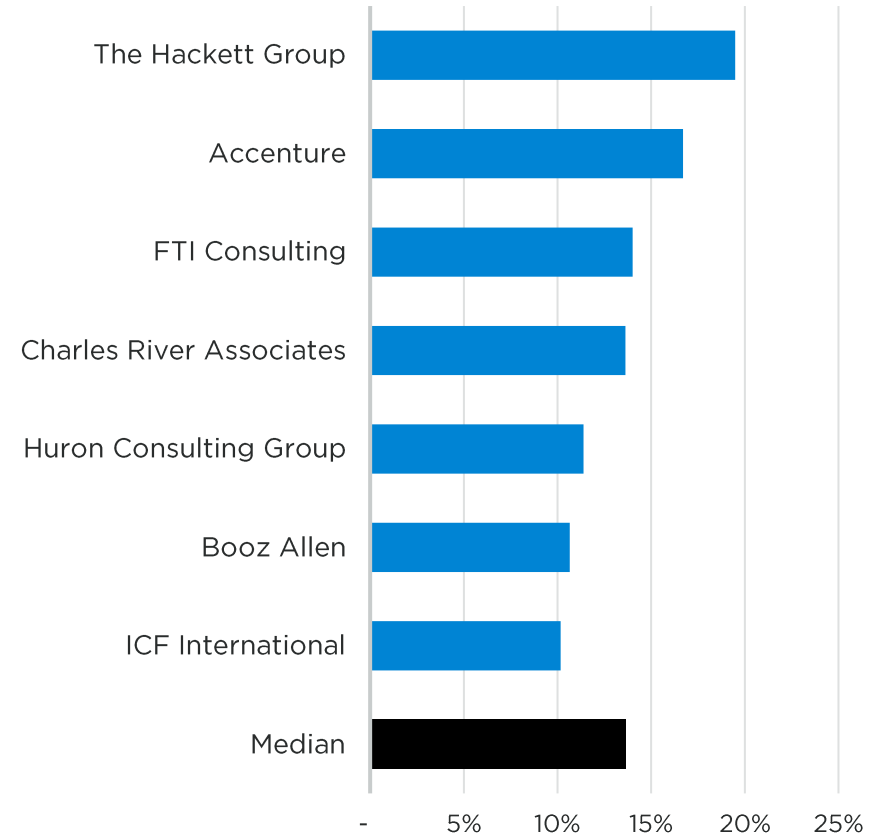


Operational Metrics

LTM Gross Profit Margin %

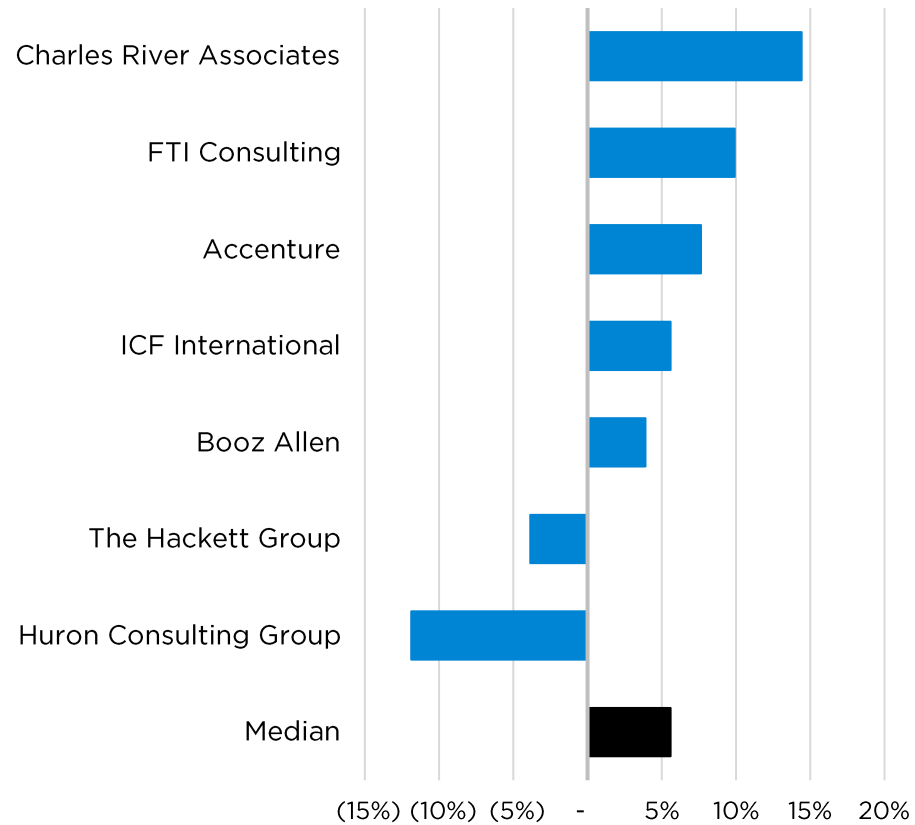


LTM EBITDA %

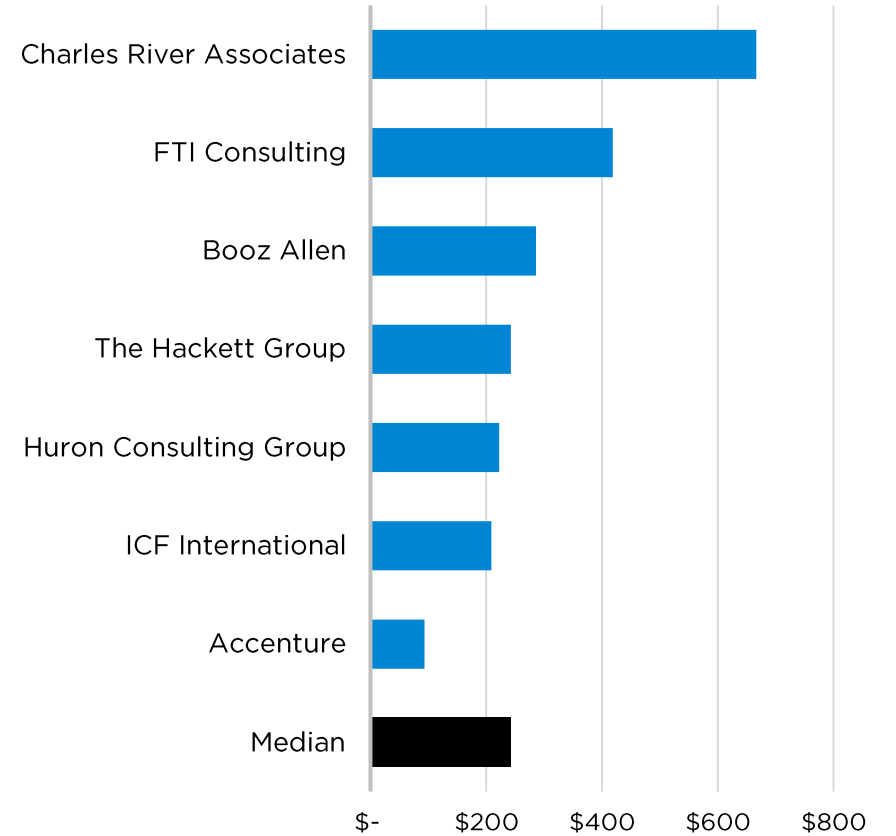


Operational Metrics

LTM Revenue Growth %

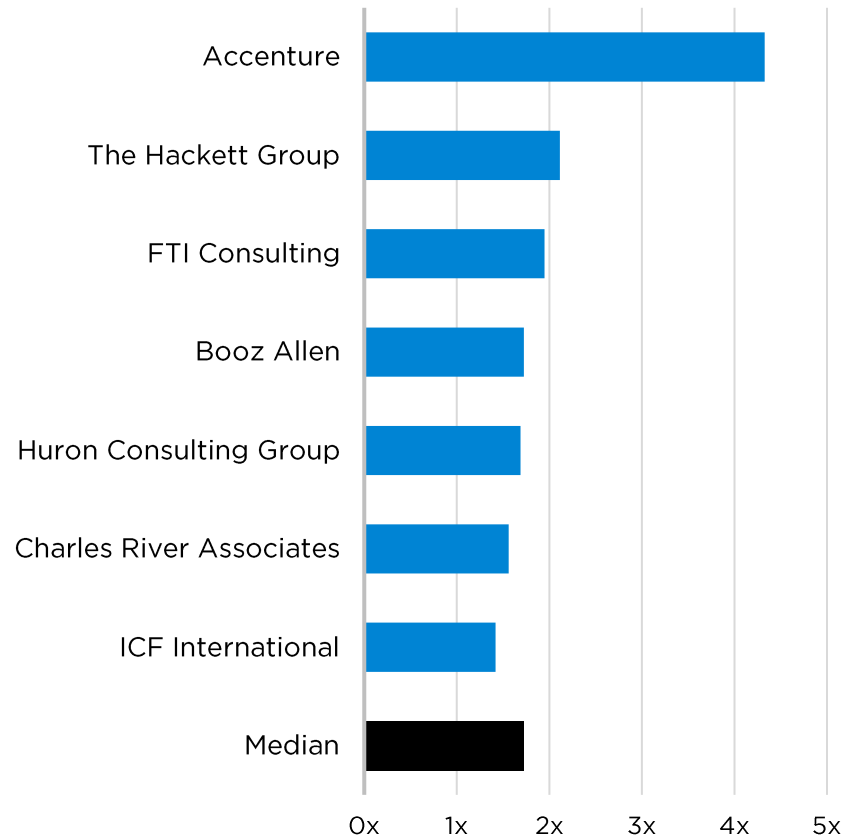


LTM Revenue per Full Time Employee x 000's

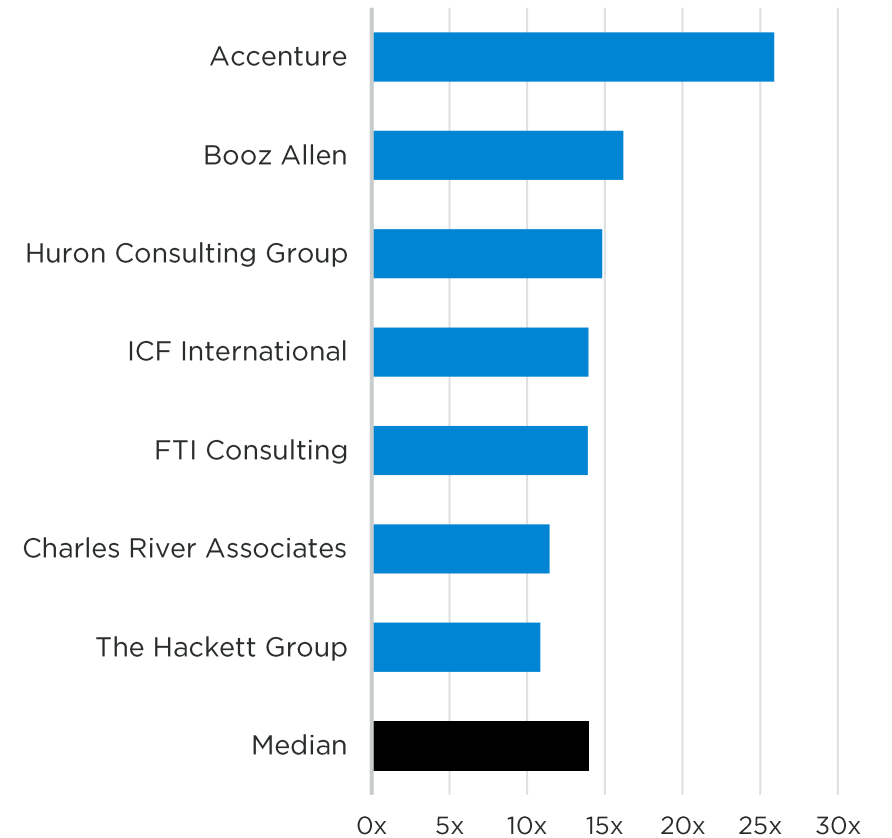


Valuation

TEV / LTM Revenue

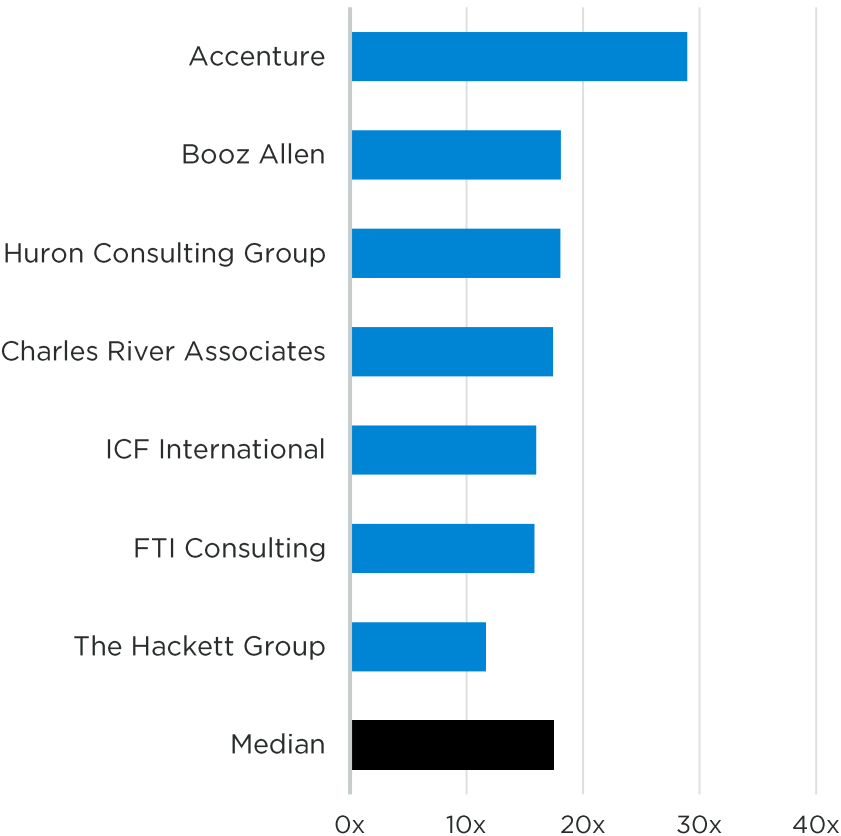


TEV / LTM EBITDA

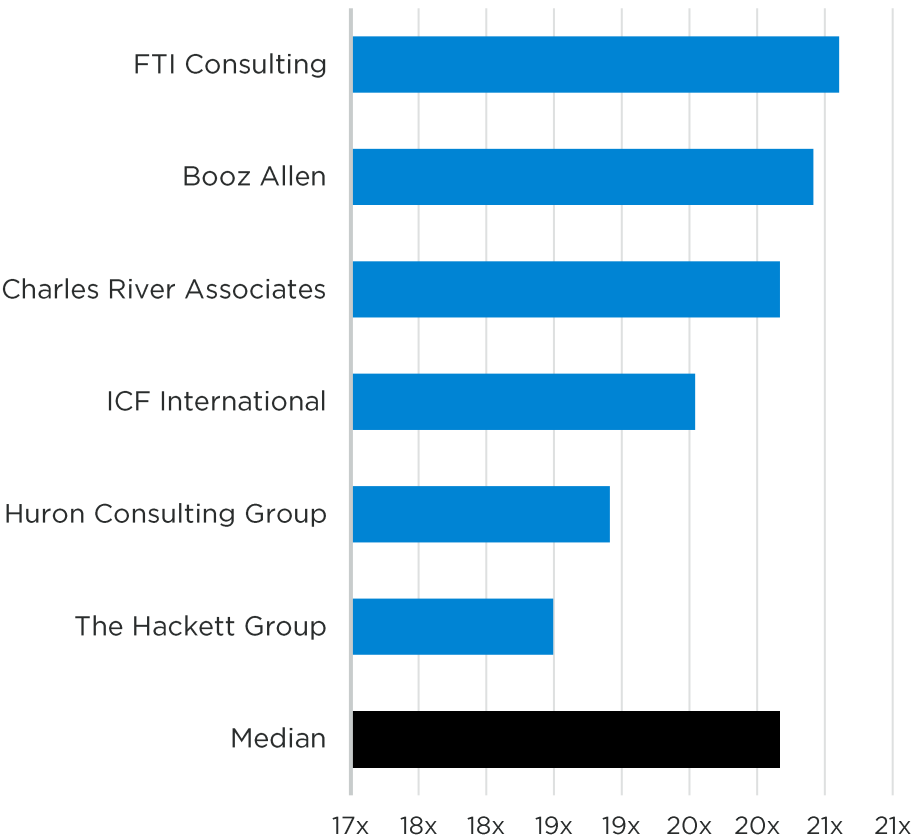


Valuation

TEV / LTM EBIT

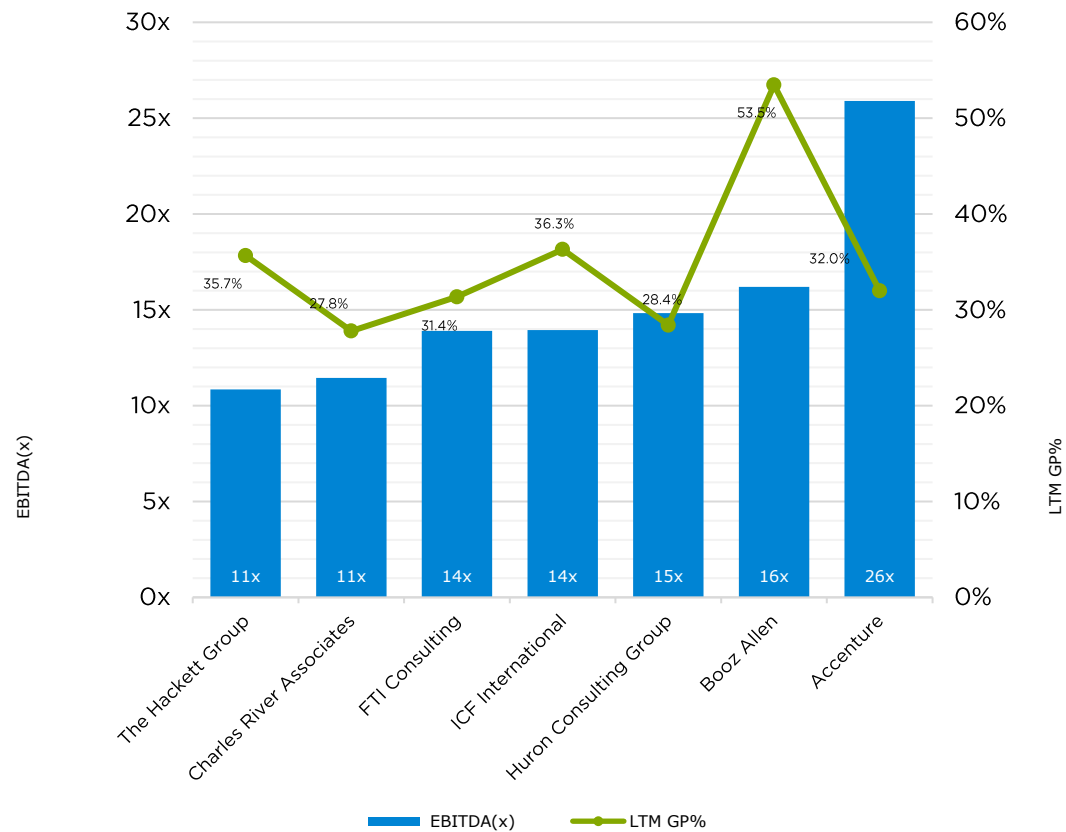


Price / LTM Earnings

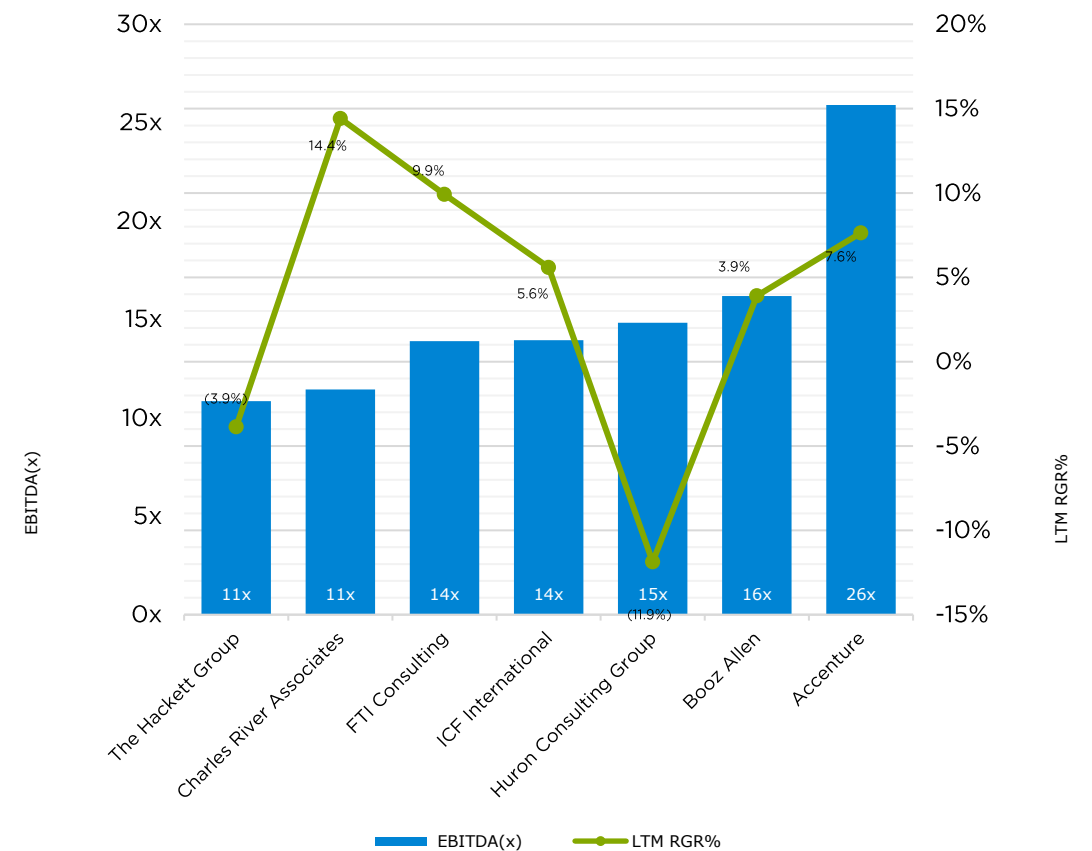


Valuation

Historical Valuation Multiples versus Gross Profit



Historical Valuation Multiples versus Revenue Growth Rate



Recent Transactions

Date	Target	Buyer / Investor	Total Transaction Value	Target Revenue	TEV / Revenue	TEV / EBITDA
31-Aug-21	Boydak Automation (Strategy Consulting Practice)	Metyis	-	-	-	-
30-Aug-21	Adamek Financial	Sterling Capital Brokers	-	-	-	-
26-Aug-21	Bridge Solutions Group	Pivotree	6.00	-	0.74	-
26-Aug-21	Invisors	WestView Capital Partners	-	-	-	-
24-Aug-21	Atlas Research	Customer Value Partners	-	-	-	-
17-Aug-21	Morae Global	BlackRock	-	-	-	-
12-Aug-21	Hansen (UK)	Boathouse Capital	8.30	-	-	-
11-Aug-21	Valid Insight	Bioscript	-	-	-	-
09-Aug-21	Drozak Consulting	PwC (Germany)	-	-	-	-
03-Aug-21	Basilinna	Edelman	-	-	-	-
03-Aug-21	Keyot	Capitala Group	-	-	-	-
03-Aug-21	Soranus	Be Think, Solve, Execute	5.57	-	-	-
26-Jul-21	Bishopsgate Financial	CubeMatch	-	-	-	-
19-Jul-21	Lane 4 Management	EY	-	-	-	-
13-Jul-21	OpX Partners	Empirical Consulting Solutions	-	-	-	-
07-Jul-21	Computerized Management Services	Ares Capital Corporation BDC	-	-	-	-
06-Jul-21	Renewables Consulting Group	Alberta Investment Management	-	-	-	-
06-Jul-21	RSC Advisory Group	Bolton Partner	-	-	-	-
01-Jul-21	Advantis Consultoría Gerencia	Altamir	-	-	-	-
01-Jul-21	Czipin	Roi Management Consulting	-	-	-	-
01-Jul-21	Economists Incorporated	JLL Partners	-	-	-	-
01-Jul-21	InStereo	SalesLoft	-	-	-	-
22-Jun-21	Pine Table Partners	Good.Lab	-	-	-	-
18-Jun-21	Exton Consulting	Accenture	-	-	-	-
16-Jun-21	Boston Healthcare Associates	Summit Partners	-	-	-	-
11-Jun-21	PGW Peters Götza Welge	BRL Boege Rohde Luebbehuesen	-	-	-	-
10-Jun-21	Pacemakers Digital Ventures	Etribes Connect	-	-	-	-

Appendix

*Public Basket
Contact Information*



Accenture

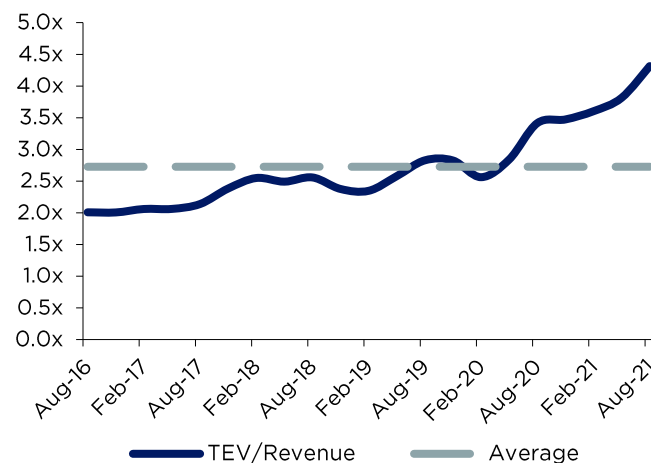
Accenture is a leading global IT-services firm that provides consulting, strategy, and technology and operational services.

These services run the gamut from aiding enterprises with digital transformation, to procurement services, to software system integration. The company provides its IT offerings to a variety of sectors, including communications, media and technology, financial services, health and public services, consumer products, and resources. Accenture employs just under 500,000 people throughout 200 cities in 51 countries.

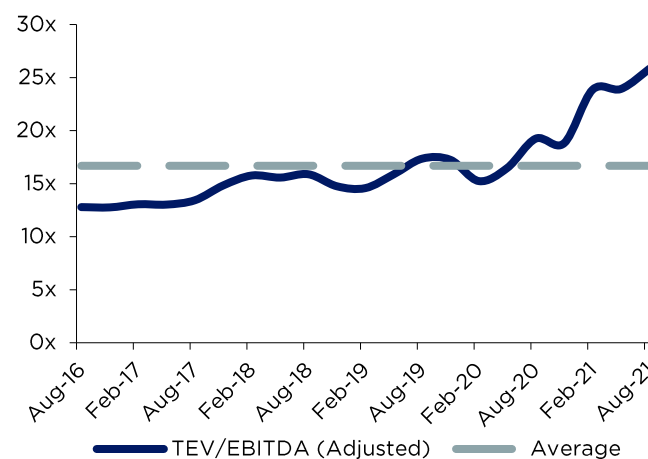
Public Basket

Accenture

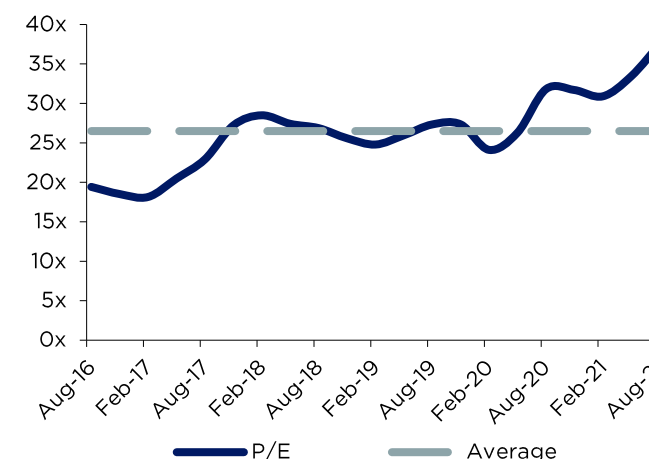
Revenue Multiples - Accenture



EBITDA Multiples - Accenture



P/E Multiples - Accenture



Company Name	Date	Deal Synopsis
King James Group	07-Sep-21	The company reached a definitive agreement to be acquired by Accenture (NYS: ACN) for an undisclosed amount on September 7, 2021. s. The move will strengthen Accenture Interactive's focus on putting creativity at the center of experience-led transformation to drive relevance and growth for its clients.
Gevity Consulting	02-Sep-21	The company was acquired by Accenture (NYS: ACN) for an undisclosed amount on September 2, 2021. The acquisition positions Accenture to lead the wave of tech-enabled health innovation that places people's health at the center to improve access, experience and outcomes.

Booz Allen

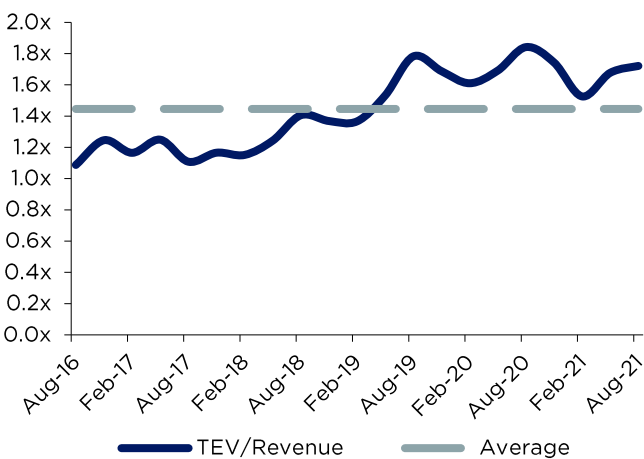
Booz Allen Hamilton Holding Corp is a provider of management consulting services to the U.S.

government. Other services offered include technology, such as cloud computing and cybersecurity consulting, and engineering consulting. The consulting services are focused on defense, intelligence, and civil markets. In addition to the U.S. government, Booz Allen Hamilton provides its management and technology consulting services to large corporations, institutions, and nonprofit organizations. The company assists clients in long-term engagements around the globe.

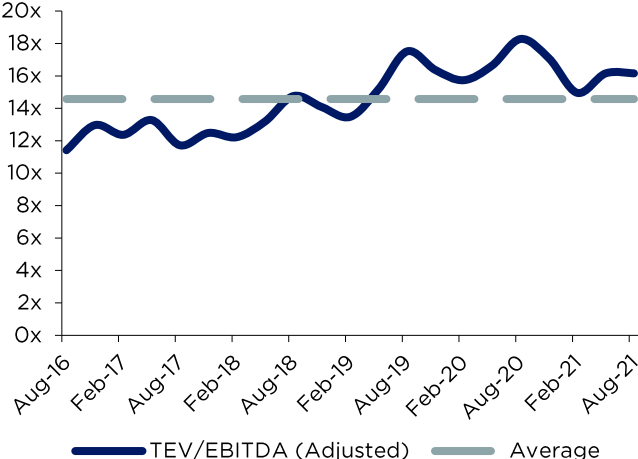
Public Basket

Booz Allen

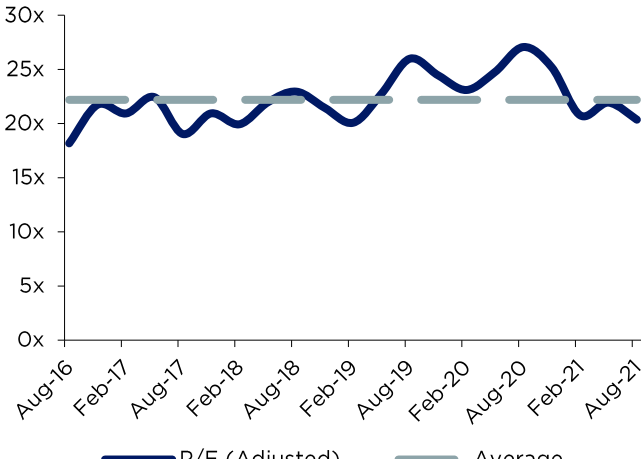
Revenue Multiples - Booz Allen



EBITDA Multiples - Booz Allen



P/E Multiples - Booz Allen



Company Name	Date	Deal Synopsis
Liberty IT Solutions	14-Jun-21	The company was acquired by acquired by Booz Allen (NYS: BAH) for \$725 million on June 14, 2021. The acquisition will broaden and deepen Booz Allen's digital solutions capabilities, expand its talent base and service delivery models, and strengthen its ability to work with strategic industry partners to help clients adapt and transform.
Obruta Space Solutions	19-Apr-21	The company joined Catalyst Space Accelerator as a part its On-Orbit Servicing, Assembly, And Manufacturing Cohort on April 19, 2021 and received \$15,000 in funding in the form of grant. Concurrently, Booz Allen invested in the company.

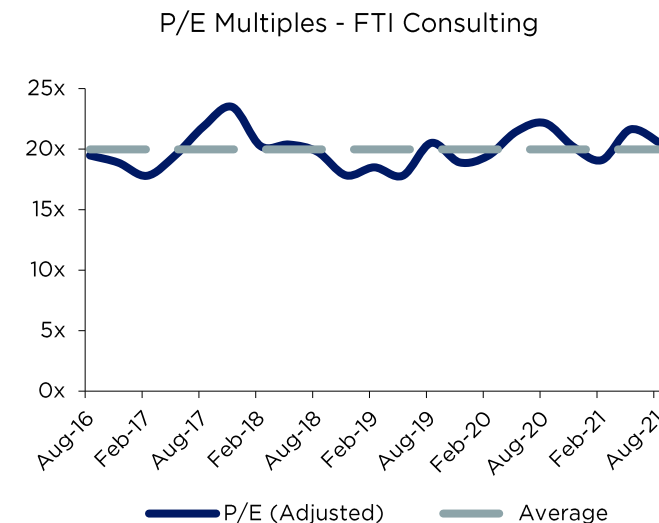
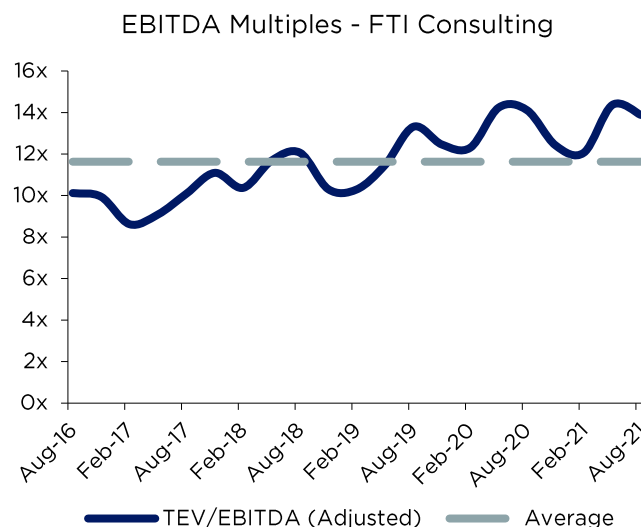
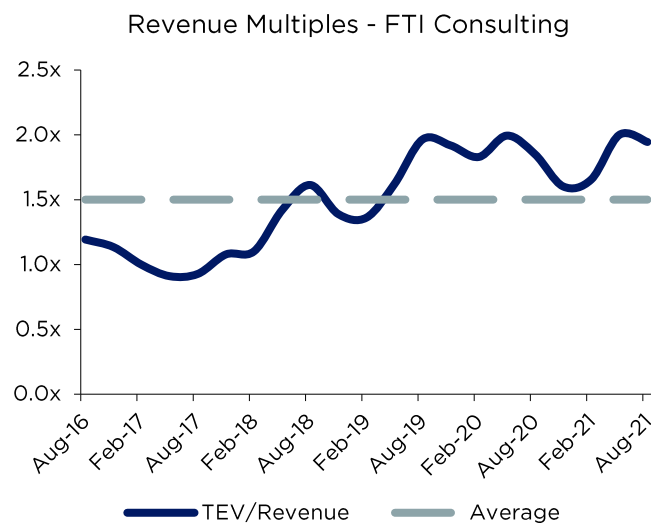
FTI Consulting

FTI Consulting Inc is a firm that generates its sales by providing professional business advisory services to customers.

The company operates through five segments, namely corporate finance and restructuring, forensic and litigation consulting, economic consulting, technology, and strategic communications. Customers of the company come from a wide array of sectors, including construction, energy and power, environmental, financial institutions, healthcare and life science, insurance, real estate and infrastructure, retail and consumer products, telecom, media, and technology. The majority of the company's revenue is derived from serving customers in the United States.

Public Basket

FTI Consulting



Company Name	Date	Deal Synopsis
TravelTek	23-Jun-21	The company raised GBP 1.3 million of venture funding from FTI Consulting and YFM Equity Partners on June 23, 2021. The funds will be used to expedite the journey to not only reinvent and rebuild its core product, but also create the world's leading travel technology platform.
The Rhodes Group	03-May-21	The company was acquired by FTI Consulting (NYS: FCN) for an undisclosed amount on May 3, 2021. The acquisition will further enhance FTI Consulting's leading construction advisory, dispute resolution and expert testimony capabilities in North America and provide the company's existing clients with access to FTI Consulting's global, diversified platform.

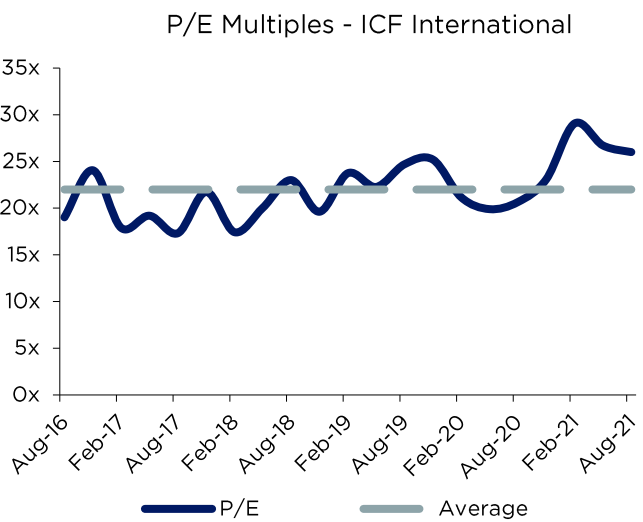
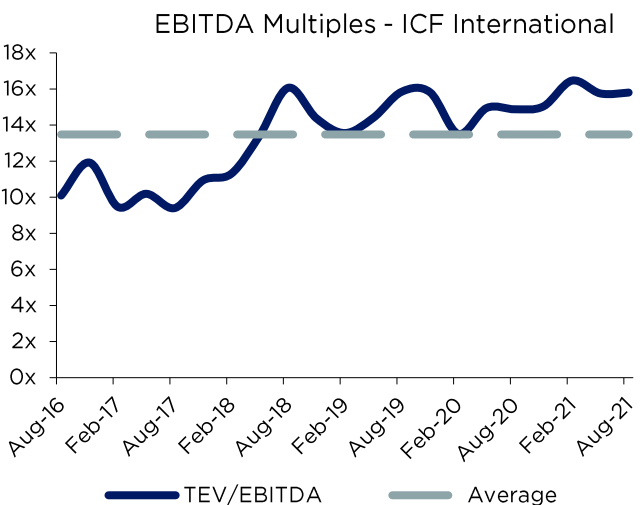
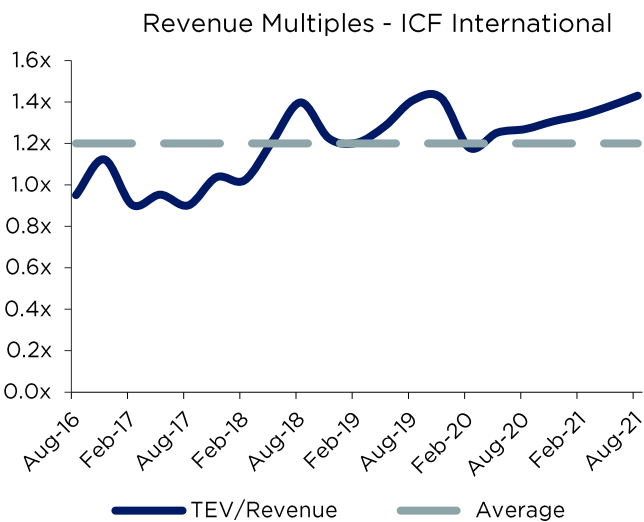
ICF International

ICF International Inc provides professional services and technology-based solutions to government and commercial clients, including management, marketing, technology, and policy consulting and implementation services.

Its services primarily support clients that operate in four key markets that include Energy, Environment, and Infrastructure, Health, Education, and Social Programs, Safety and Security and Consumer and Financial. The Company's major clients are United States federal government departments and agencies.

Public Basket

ICF International



Company Name	Date	Deal Synopsis
Incentive Technology Group	31-Jan-20	The company was acquired by ICF International (NAS: ICFI) for \$255 million on January 31, 2020. The acquisition significantly expands ICF's IT modernization services to U.S. federal government clients
We are Vista	04-Oct-18	The company was acquired by ICF (NAS: ICFI) for an undisclosed amount on October 4, 2018. This acquisition will enhance the support acquirer offer both their public and private sector clients in Europe.

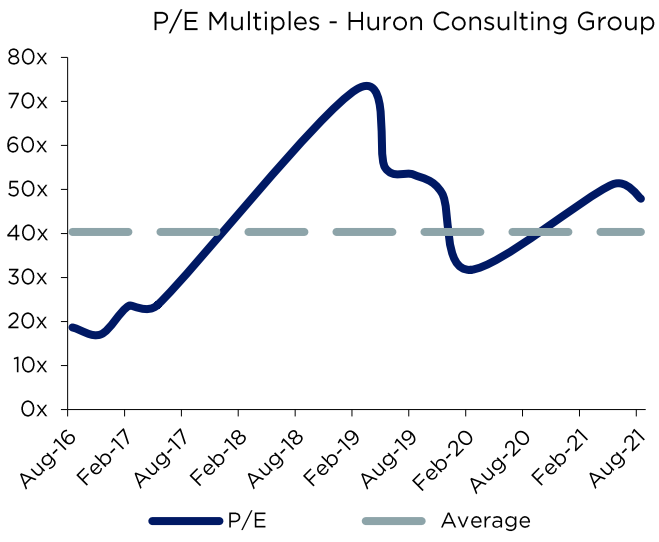
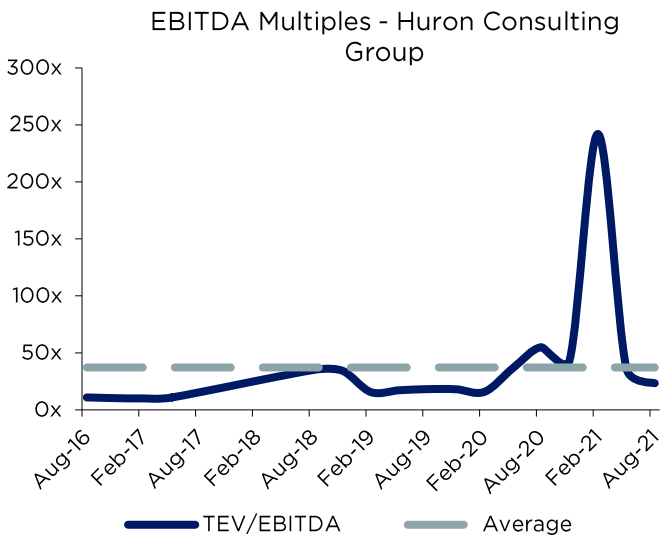
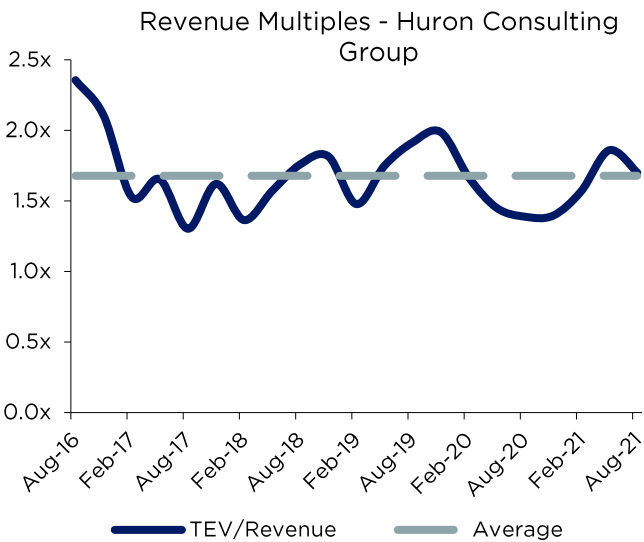
Huron Consulting Group

Huron Consulting Group Inc is a professional services firm.

The company provides expertise in strategy, technology, operations, advisory services, & analytics through three operating segments namely Healthcare, Education, and Business Advisory. Healthcare segment helps the firms to transform and innovate the delivery model to focus on patient wellness by improving quality outcomes, minimizing care variation and fundamentally improving patient and population health, Education segment provides management consulting and technology solutions, and Business Advisory segment provides services to large and middle-market organizations, not-for-profit organizations, and private equity firms. It generates a majority of its revenue from the Healthcare Segment.

Public Basket

Huron Consulting Group



Company Name	Date	Deal Synopsis
Unico Solution	01-Feb-21	The company was acquired by Huron Consulting Group (NAS: HURN) for an undisclosed amount on February 1, 2021. The acquisition expands Huron's data management and governance capabilities to help clients better manage their data to optimize their operations and drive cloud adoption.
ForcelQ	01-Nov-20	The company was acquired by Huron Consulting Group (NAS: HURN) for an undisclosed amount on November 1, 2020. The acquisition expands Huron's industry-specific cloud software capabilities and also accelerates Huron's commitment to helping its clients better compete in disruptive and highly competitive markets.

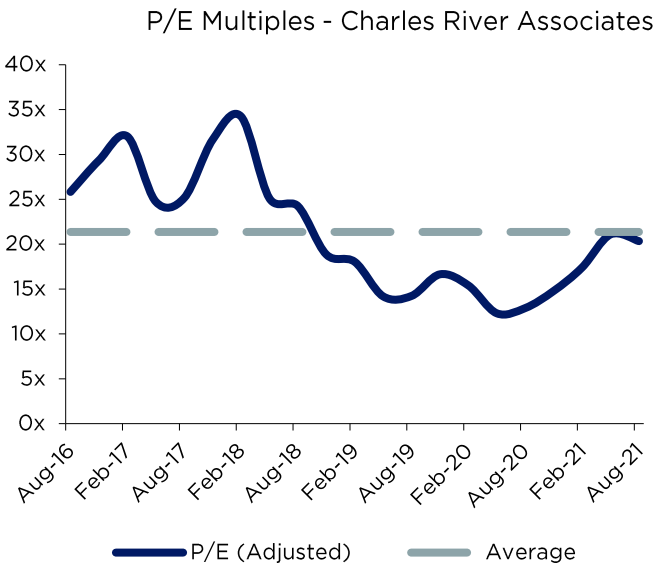
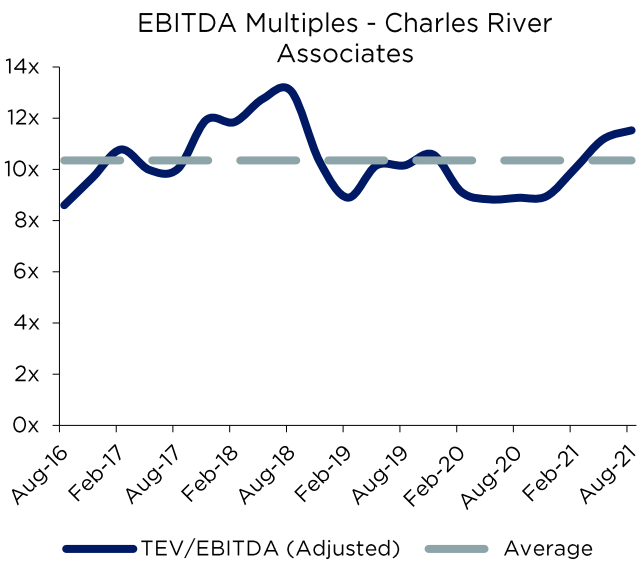
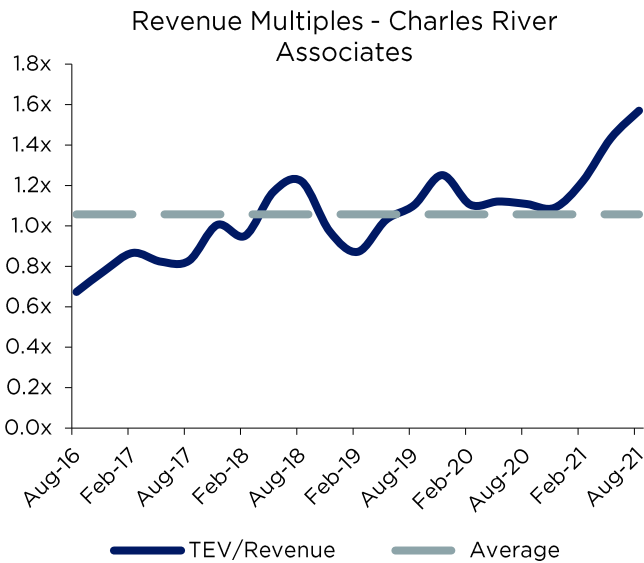
Charles River Associates

CRA International Inc is a U.S.-based advisory firm that provides economic, financial, and management consultancy services.

The company advises clients on economic and financial issues relating to litigation and regulatory proceedings and helps businesses set important business strategies and solve performance-related issues. The company's clients include domestic and foreign companies, government agencies, public and private utilities, and national and international trade associations. Also, CRA International owns a majority stake in NeuCo, a company that develops and markets neutral network software tools and related application consultancy services. CRA International generates almost all its revenue from the United States and the United Kingdom.

Public Basket

Charles River Associates



Company Name	Date	Deal Synopsis
C1 Consulting	30-Jan-17	The company was acquired by CRA International (NASDAQ: CRAI) for \$19.16 million on January 30, 2017. This acquisition helps CRA International to enhance its capabilities in advanced analytics and market research as well as broaden its commercialization strategy offering, particularly relating to rare and orphan diseases.
Navigant Consulting (Economics Operations)	31-Jan-13	The Economics Practice Operations of Navigant Consulting was acquired by CRA International (NASDAQ: CRAI) for an undisclosed amount on January 31, 2013.

The Hackett Group

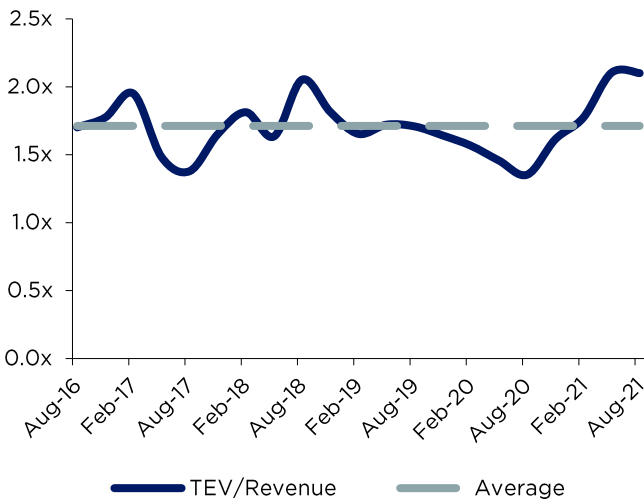
The Hackett Group Inc is an advisory firm.

The company's offerings include executive advisory programs, benchmarking, business transformation, and technology advisory services. The company's executive and practices advisory programs offer performance metrics, peer-learning opportunities, and practice implementation practices. Benchmarking services help organizations measure and assess internal efficiency and effectiveness. The business transformation programs help customers develop strategies to improve performance. The company's technology advisory services help clients improve decision-making capabilities and deploy software applications. The Hackett Group generates the majority of its revenue in the United States.

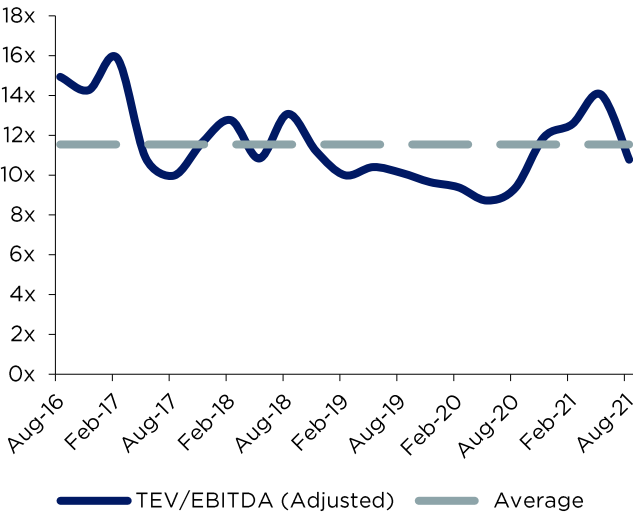
Public Basket

The Hackett Group

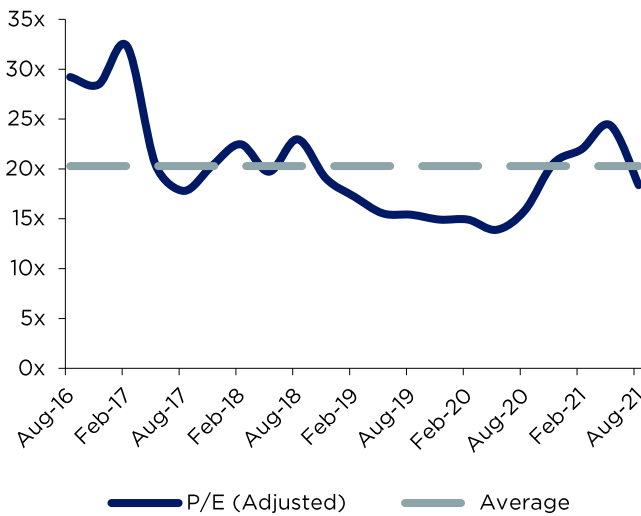
Revenue Multiples - The Hackett Group



EBITDA Multiples - The Hackett Group



P/E Multiples - The Hackett Group



Company Name	Date	Deal Synopsis
Jibe Consulting	01-May-17	The company was acquired by The Hackett Group (NAS: HCKT) for an undisclosed amount on May 1, 2017. The acquisition will enable the acquirer to expand its technology consulting services.
Aecus	06-Apr-17	The company was acquired by The Hackett Group (NASDAQ:HCKT) for an undisclosed amount on April 6, 2017. The acquisition strongly complements the global strategy and business transformation offerings of the Hackett Group.

Contact Info

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As a close-knit team with a long history together and a laser focus on our target markets, we help our clients sell their companies, raise capital, grow through acquisitions, and evaluate new markets. Securities offered through 7M Securities LLC.



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