

# Secrets of Pugh-Roberts Associates...

**International System Dynamics Conference**

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## Topics

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- **Introduction**
- **Key values**
  - Big stakes
  - Staff quality
  - Culture
  - Compensation
  - Work quality
  - Expected career team
  - Life balance
- **PA “kickers”**
  - About PA
  - Ownership
  - Work diversity
  - Referrals
  - Business systems
- **Conclusion & the future**
- **Q&A**

## PA's Business Dynamics Practice

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- **Pugh-Roberts Associates spun off from MIT 35 years ago**
- **Specializing in dynamic simulation modeling for high-stakes business strategy and large project issues**
- **25 consultants, averaging 11 years of professional modeling experience, 1.3 MIT degrees; 2 ex-MIT Professors**
- **Became part of PA consulting Group in 1991**

## Our Clients Use Business Simulation to Improve Performance...

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### Business Strategy

***Managing growth, competitive positioning, regulatory impacts***

### Market Analysis

***Forecasting the dynamics of cyclical markets***

### Project Management

***Improving cost and schedule performance on key development and build projects***

### Management Training

***Bringing simulation-enhanced learning and “war-gaming” to senior managers***

...and apply system dynamics across many industries and projects



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- **Conclusion & the future**
- **Questions and answers**
- **Appendix**

## Key Values

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- 1. Big Stakes**
- 2. Work Quality**
- 3. Staff Quality**
- 4. Expected Career Term**
- 5. Culture**
- 6. Life Balance**
- 7. Compensation**

Rigid adherence to work on business issues of strategic importance...

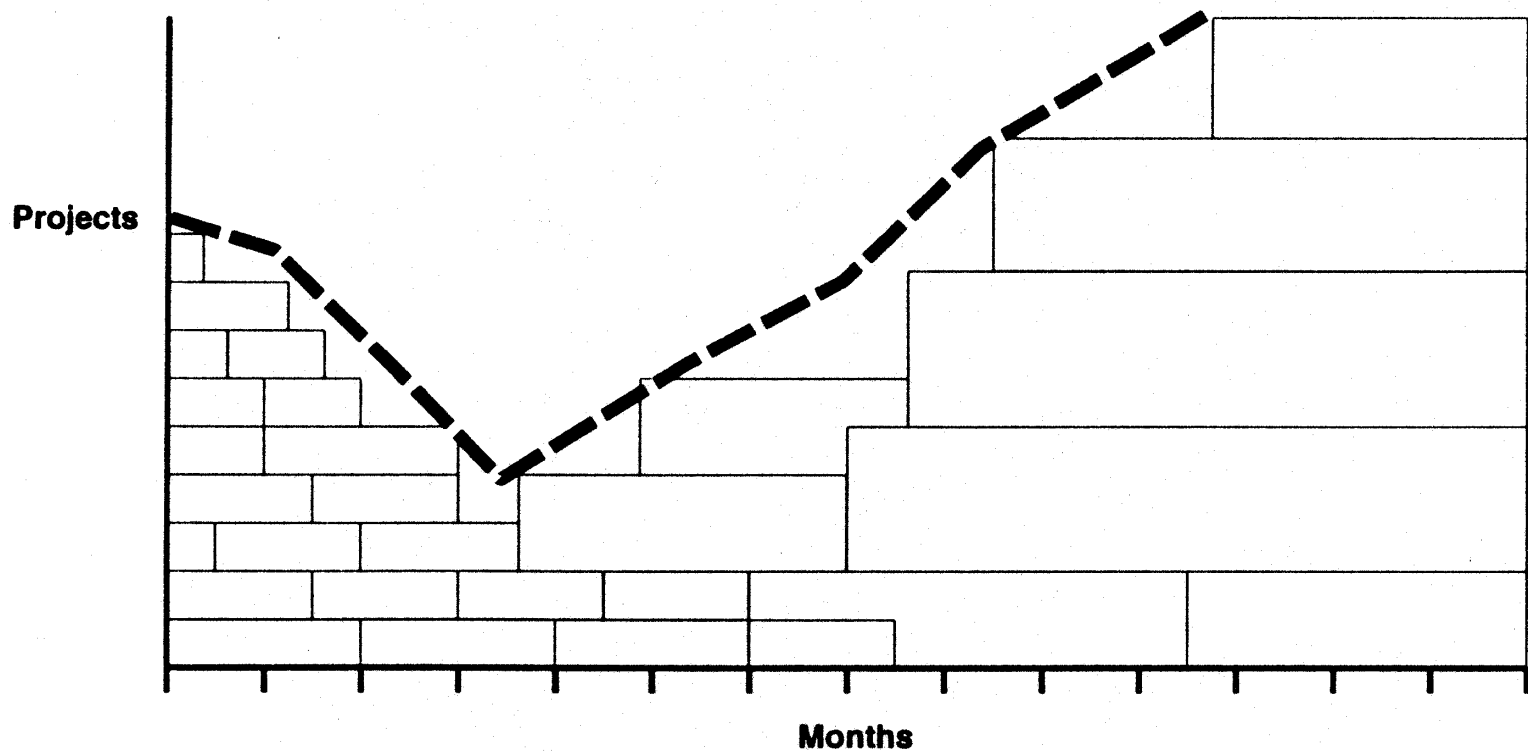
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- **High-tech:** Will increased shareholder value by Billions over the next 2-3 years
- **Aerospace and Shipbuilding:** Completely changed the way billions of dollars of disputes are resolved
- **Telecommunications:** Provided regulatory survival plan for world's largest telecoms
- **Transport:** Guided the restructuring of the largest metropolitan transit system
- **Credit Cards:** Reversed market share decline of large player and changed the whole industries business model



## Big stakes mean big assignments

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**This high-stakes focus transformed our work mix and business.**

Work quality:

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**“We will do the best system dynamics work for  
businesses...**

**...at a profit if we can.”**

**Ed Roberts (1963)**

**The founder’s Jack Pugh and Ed Roberts set a mission and  
standard from which we have not wavered...**

**...and we have learned to be profitable.**

High-quality has led to referral and repeat business at the world's leading corporations



Bath Iron Works  
A GENERAL DYNAMICS COMPANY



## Time on staff development

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- **Two weeks annually in formal PA training**
- **One month of focused individual chosen personal/professional “LABS”**
- **Continual on-the-job training and mentoring**

## Expected Career Term

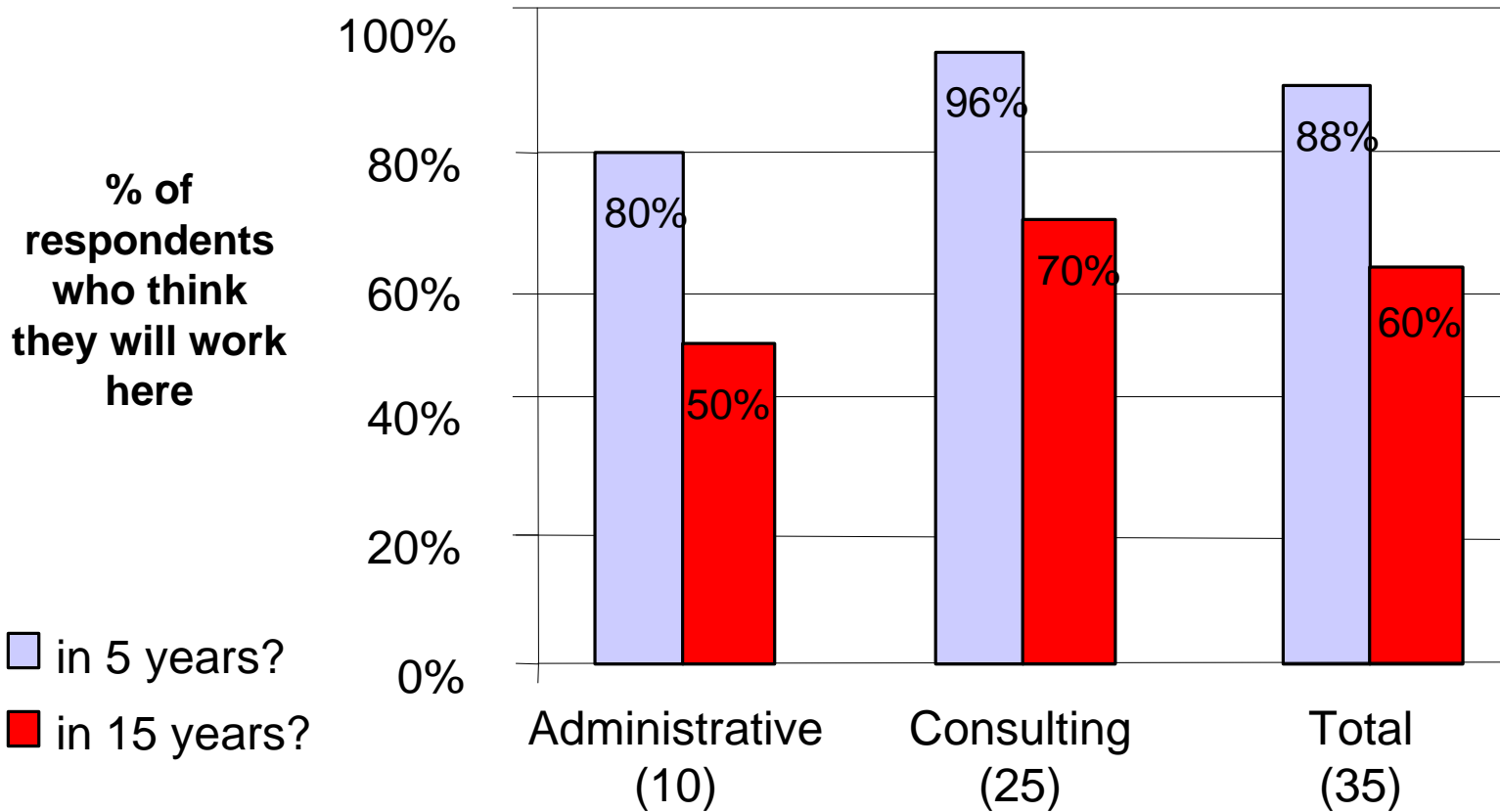
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From the beginning of recruiting onward, we believe and behave as though our staff will be here for life.

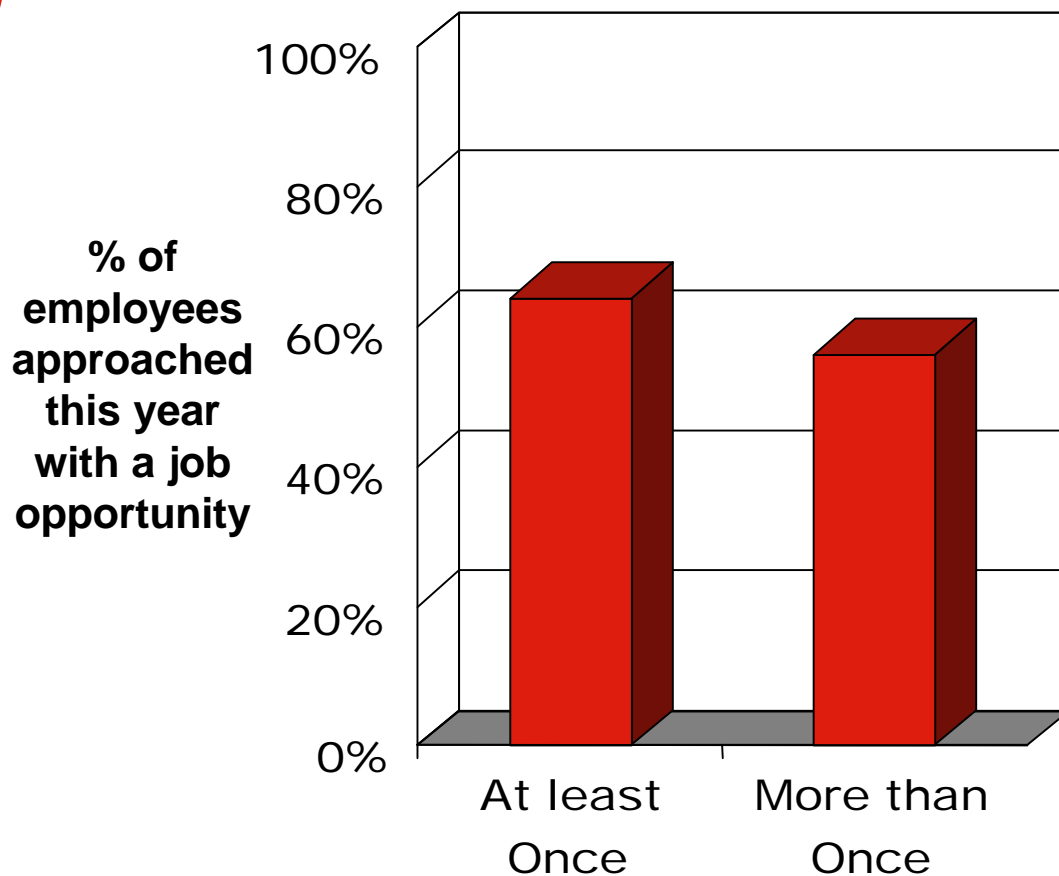
History reinforces this expectation....

The % of respondents who think they will be with BDP in 5 years is high

**Q: Do you see yourself working here in 5 years? In 15 years?**



Has a headhunter or someone from another firm approached you about working for them within the past year?

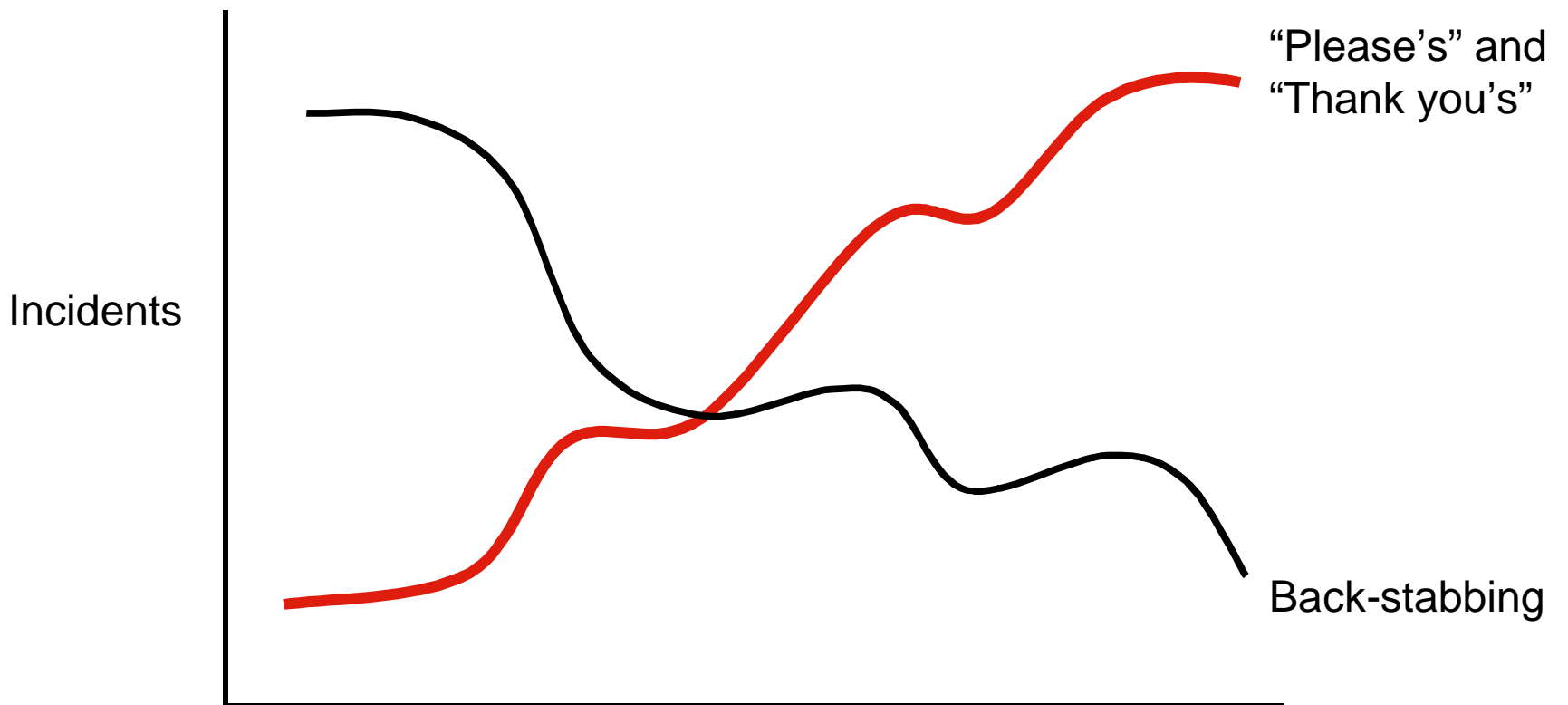


**Employment opportunities cited:**

- Internet startup/dot-com
- Other consulting firm
- Technology strategy
- Other SD consulting
- Biotech
- E-strategy
- Pharmaceuticals
- Technical & Business development
- Product manager for Manufacturing firm
- Organizational learning
- Team development
- Systems Thinking consulting

## Culture

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*Source: totally fabricated data ;-)*



What adjectives would you use to describe our corporate culture?

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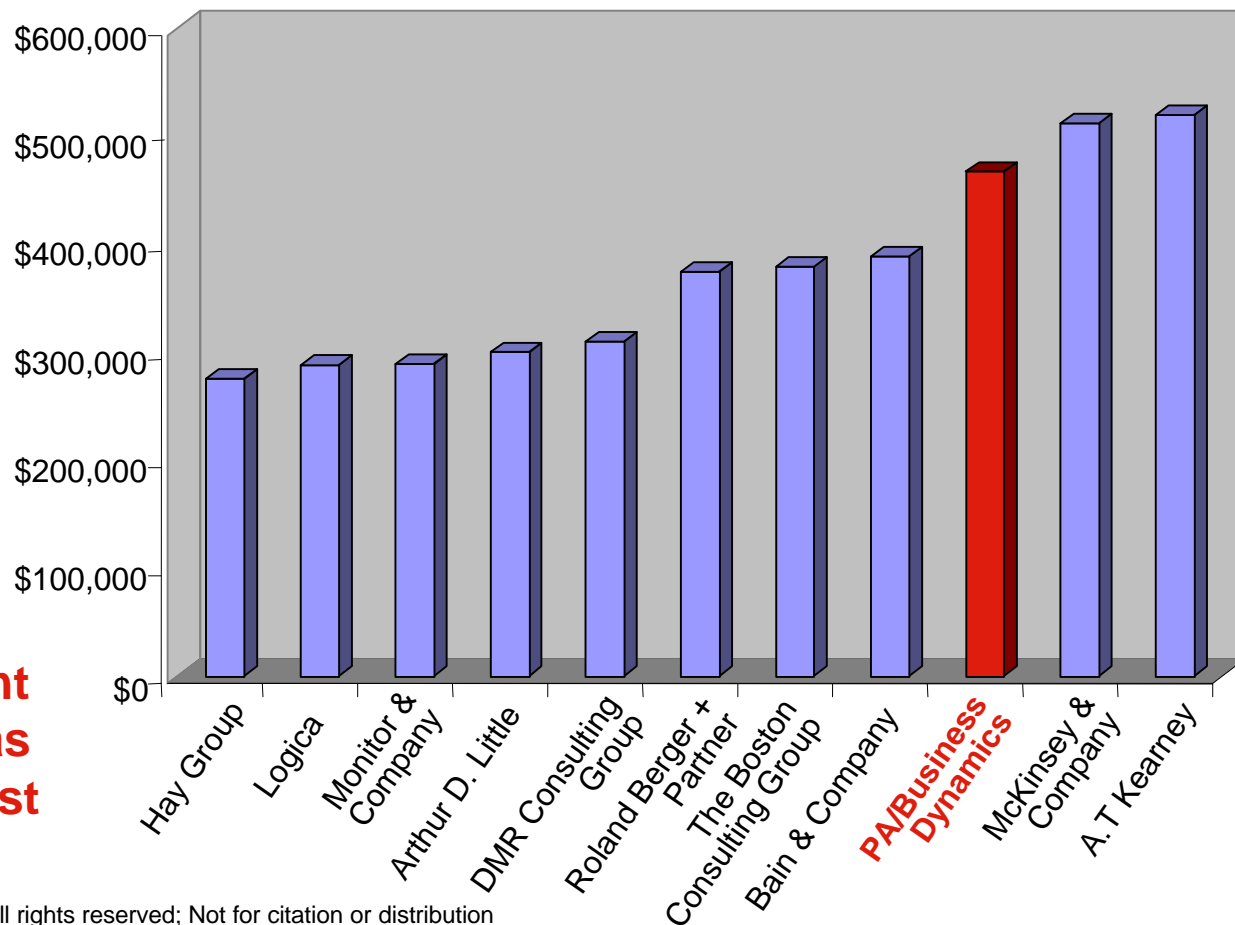
**team-oriented**      **intense**      **self-managed**  
**collegial**      **family**      **busy**      **geeky**  
**supportive**      **dedicated**      **traditional**      **energetic**  
**fun**      **respectful**  
**strong**      **academic**      **challenging**      **integrity**  
**hard-working**

Source: BDP practice survey 2000

## Revenues per consultant, 1999-2000

Consultant Revenues per Year

\$ Per Consultant (Thousands)

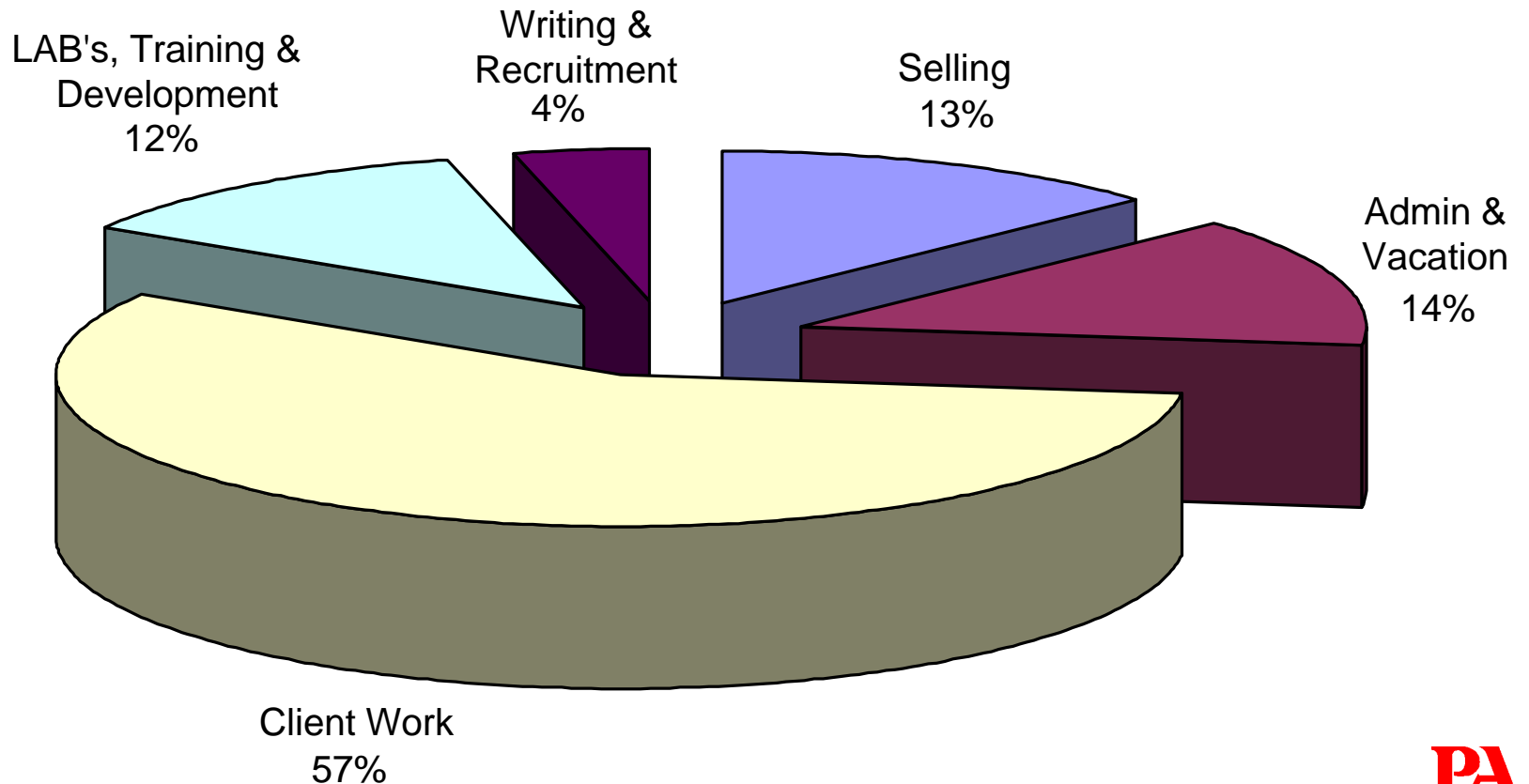


Overall consultant compensation has doubled in the past 5 years

## Work/life balance: How we spend our time

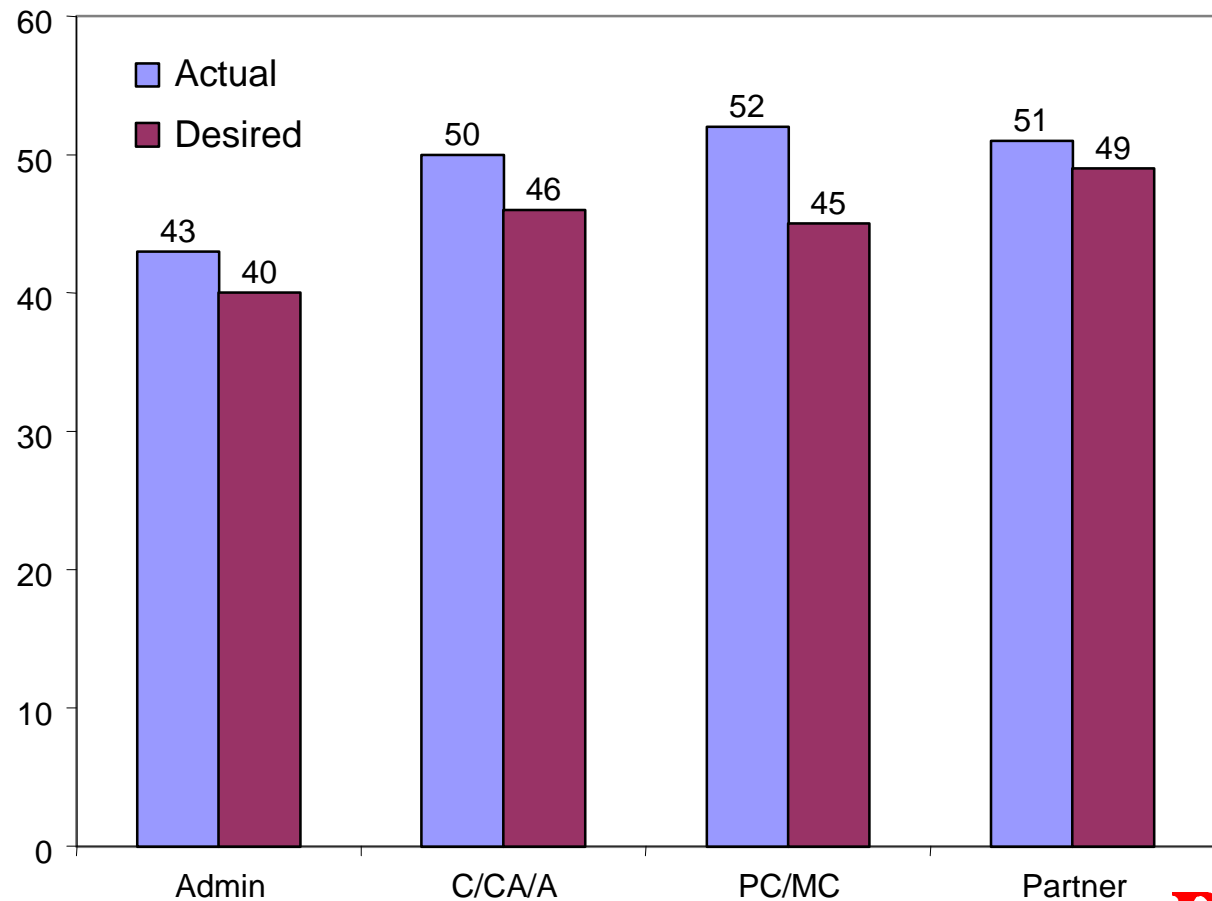
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Time Spent in 2000 (percent)



## Work/life quality: Desired vs. actual hours/week

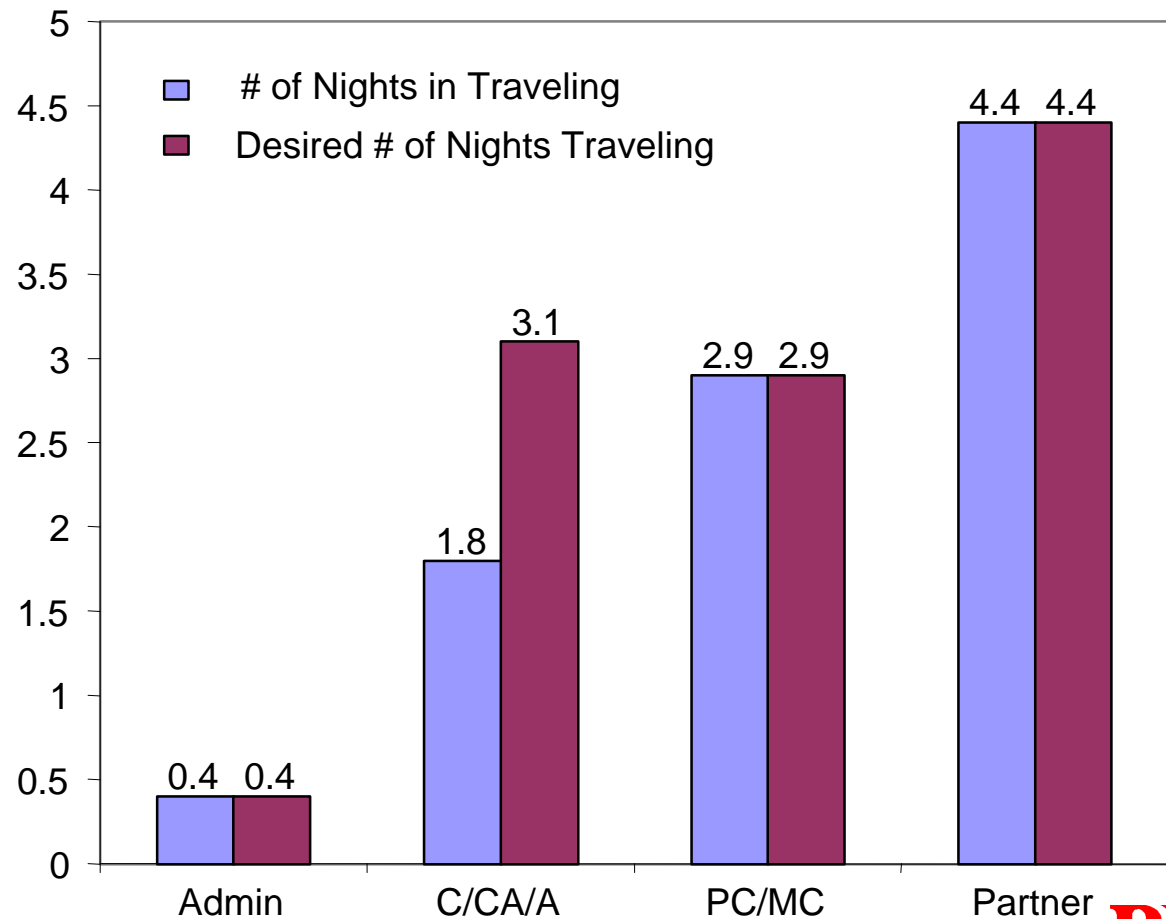
**In the past year,  
how many hours  
per week did  
you work on  
average?  
How many hours  
per week do you  
desire to work?**



## Work/life quality: desired vs. actual travel time

**Estimate the number of nights per month you spend in business-related travel.**

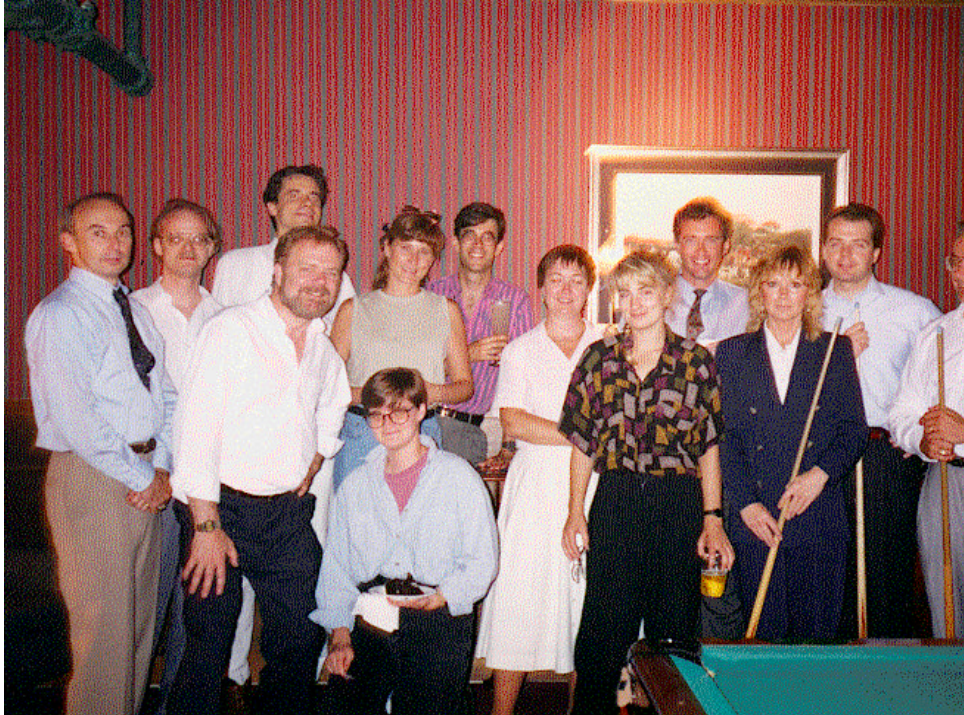
**How many nights per month do you want to be spending in business-related travel?**



## The results of balance at work...

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- **Lower divorce rate (5x less than the national average!)**
- **Greater job satisfaction (and tenure and survey's prove out)**
- **Some fun mixed in with all that work...**



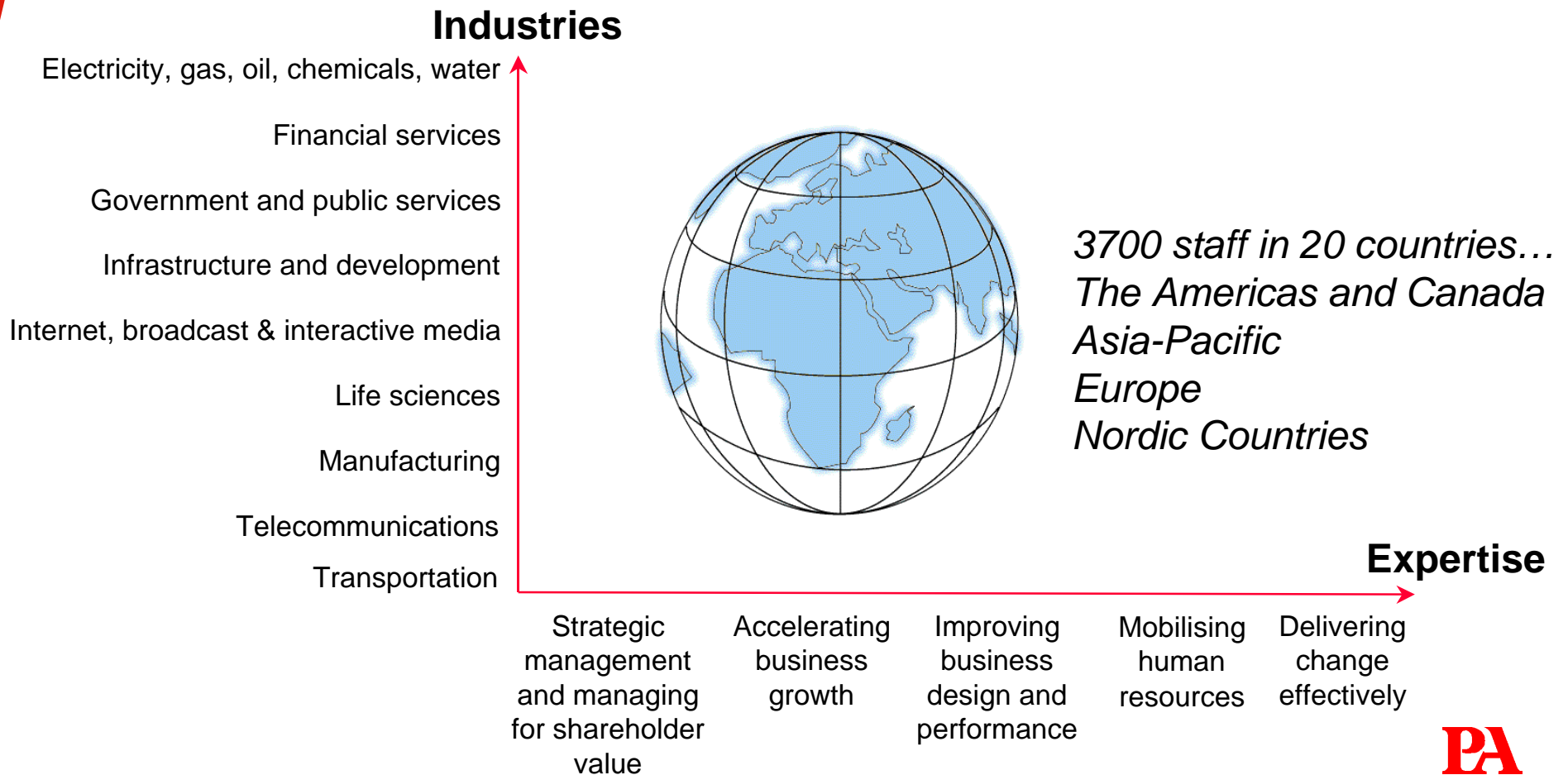
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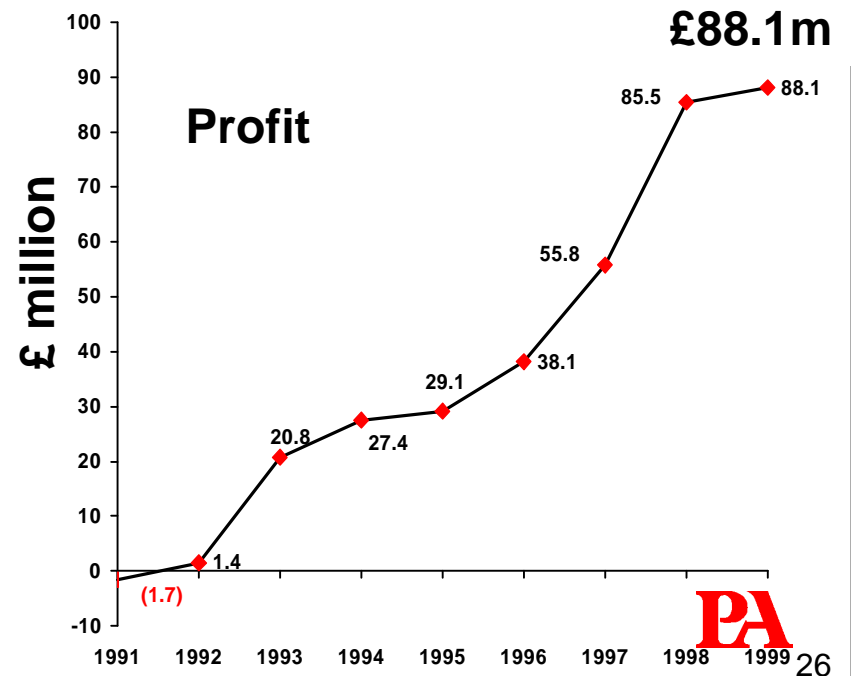
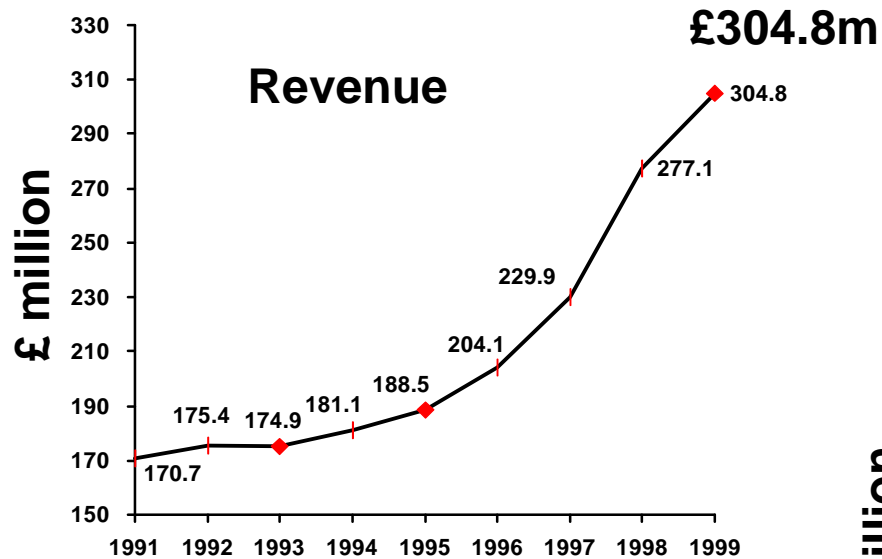
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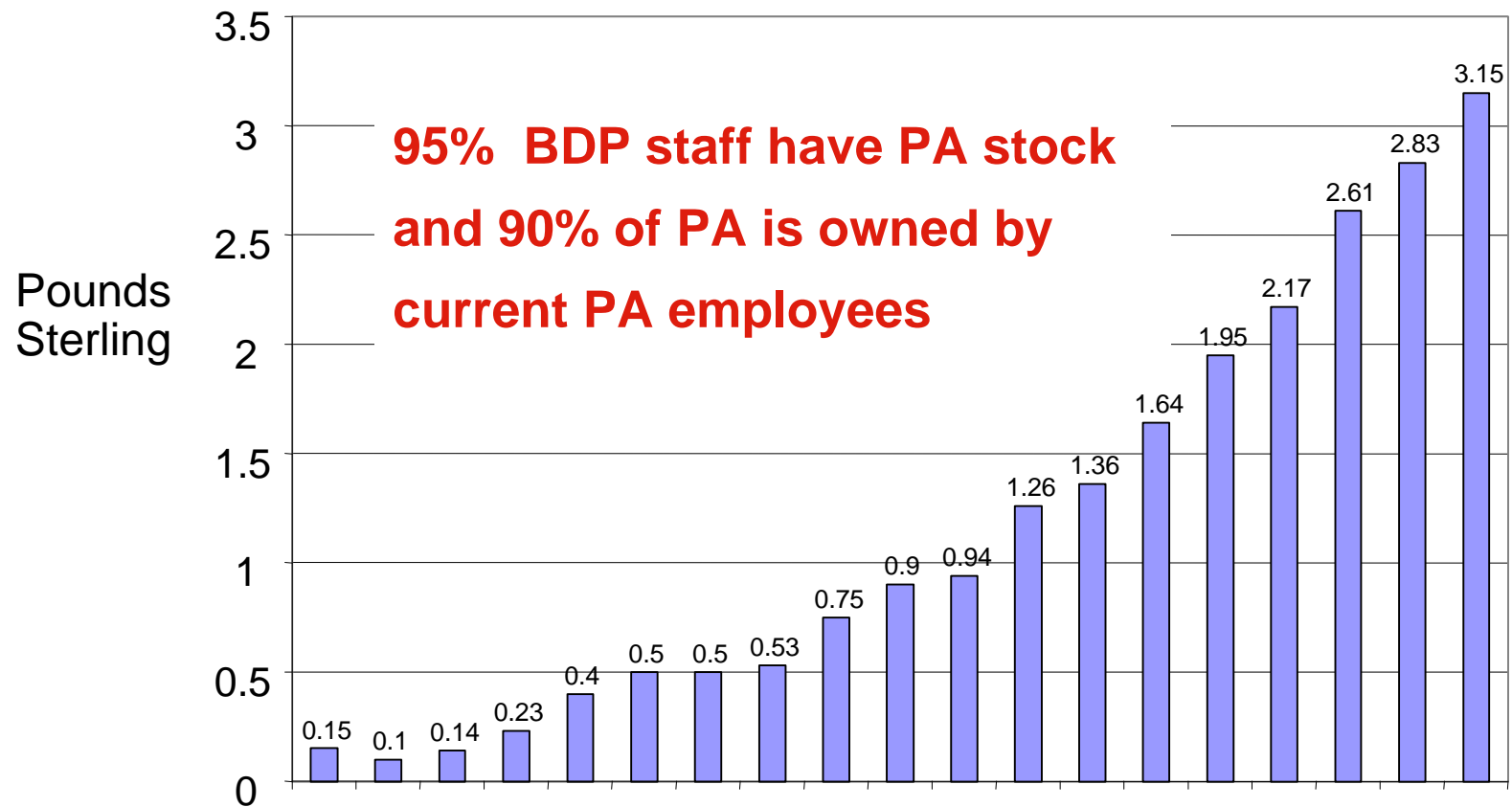
# PA is a leading management, systems, & technology firm



PA has been very successful over the last few years




## Financial Perks



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