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## Practical advice

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#### **UNDER THE RADAR/Interview/David Power Distinct Consulting: AS A**

management consultant with a multinational firm, David Power had plenty of experience advising other people on how to run their businesses, but no experience of actually running his own.

That all changed in 2005, however, when Power left the shelter of Accenture to set up Distinct Consulting, determined to take on the big names and test the professional advice he'd been handing out for years.

"The economy was certainly good at the time," recalls Power (35), "but I knew that the viability of a small business can change very quickly and that you should never take a bet on the market. You have to rely on the underlying strength of your business model."

This kind of practical insight has helped Power build Distinct Consulting, in just four years, into a company with a projected turnover for 2009 of about €7 million and a staff of 50 in Ireland and Britain. In fact, 20 per cent of Distinct's income last year was generated in the UK – and this year the figure is expected to be as good or slightly better than that.

"I took the view that if you're offering services that your clients value and if you're giving them elegant solutions to their problems, then you've got a business with a future," says Power.

"At the same time, though, management consulting is a tough market and you have to make a space for yourself. So I decided to pick the really complex stuff, the type of thing companies don't want to tackle themselves, and get in there."

What Power decided to focus on was data, not in terms of data management or storage, but in terms of "business intelligence". This involves using the operational data a

company generates to allow it to market and sell more effectively, and to give it a competitive edge.

“At its most basic: if you’re an insurance company and you’re planning to sell household insurance to people on your database, it would be an exercise in futility to contact 19-year-old car drivers, because they probably don’t own their own homes,” he explains.

“It’s about making marketing more accurate and relevant. You can do the 100,000-customer version and get 1 per cent return, or you can do the 10,000-customer version and get 20 per cent return, having done it at a much lower cost.”

According to Power, the aim is to help clients use their data to do three key things: “generate revenue, manage costs and manage risk”.

“In terms of risk management, for instance, we use fraud analytics to work with banks and insurance companies to identify claimants who are perhaps being creative with their insurance claims,” he says.

“And we use potential default modelling to identify the individuals most likely to default on their mortgages – based on their current outgoings and the general economic circumstances.”

Despite the recession, Distinct Consulting is on target to achieve 20 per cent growth this year and to expand its workforce by 35 per cent by 2010.

Power says this is a direct result of his decision to compete with the household names in consulting rather than simply taking their leftovers.

“You can start a management consultancy in one of two ways: you can set up the sort of company which holds inhouse workshops and does a bit of troubleshooting, or you can go after multinational clients and help them deal with the big issues from day one. I chose the latter.”

The strategy has worked, with the company attracting clients such as Microsoft, Aon, Vodafone, Royal Sun Alliance, Bank of Ireland, AIB, EBS and the VHI.

“You’ve got to identify companies which spend on consultancy, and spend in a way that can help you build a business,” says Power.

“You’ve constantly got to motivate yourself by asking: why aren’t we in front of Unilever today telling them how effective and professional we are, and how we can help them make money?”

## **ON THE RECORD**

Name David Power

Company Distinct Consulting [www.distinct.ie](http://www.distinct.ie)

Job Founder and managing partner

Age 35

**Background** After graduating from University of Limerick in 1995 with a BSc in industrial biochemistry, he joined Reed Elsevier, the global scientific publishing company, specialising in web production. He then moved to Allfinanz, an Irish financial services software firm. In 2000 he joined Accenture and stayed there until 2005, when he set up Distinct Consulting. The firm had a turnover of about €6 million in 2008 and opened a UK office last September.

**Challenges** Meeting the aggressive targets set in the fourth quarter of 2008, including a 20 per cent growth in business during 2009, largely driven from new UK markets.

“Those targets were based on the platforms we’d built during 2008, rather than just betting on hope.”

Inspired by Mark Ryan, country managing director of Accenture in Ireland, and Philip Smith, chief executive of Royal Sun Alliance in Ireland. “Mark Ryan was head of financial services when I was with Accenture and is someone I admired enormously and who taught me a lot. I also worked in Accenture with Philip Smith, who’s now with Royal Sun Alliance. He was a great mentor and pushed me a lot.”

Most important thing learned so far “Good relationships with clients are crucial – they’re what give your business longevity.”