

# A question of resource: 10 ways to build, nurture and manage an associate ecosystem

More effective Associate management for consultancies



# It's more than just plugging in resource on demand

The associate (freelance expert) model is well suited to the needs of consulting and professional services businesses. Two factors that characterise the sector are the need for high value skills and expertise, and the project-based approach to client engagement and delivery.

Hiring associates when you need them means skills and expertise are tapped on-demand and paid a day rate rather than a salary. This often makes financial sense, because many practices would find it economically difficult – if not unviable – to operate financially if they had to employ all the people needed permanently.

Whether the objective is to maintain current levels of business or to drive growth it is important to have associates that you know and trust. You need to be confident that they are up to the task, will uphold your firm's reputation, and can deliver what you and the client both expect. Many established practices have a pool of tried and tested regular associates alongside a steady stream of new faces – an ecosystem – on which it draws.

Nurturing a pool of experts that you can use to fill niche roles and peak resourcing needs is seldom easy. Like all successful relationships it requires work. How do others go about it? Who should take responsibility? What technology makes it easier?

In this guide we discuss 10 ways to effectively build and manage an associate ecosystem.

# 1. Selling yourself to associates

To help build a good strong and trusted associate ecosystem you need to attract as many people as possible with the right potential.

Consider how to make yourself more attractive to work for. This is not necessarily about offering a better day rate than your competition. It's about appealing to their professional curiosity, competence and sense of value and worth. Make sure you get across ideas like working with talented and inspiring people, a chance to do great client work on something new and innovative and the kudos of working with your firm!

# 2. Creating a pool

It makes sense to create the best blend you can between size, focus and quality of additional talent. A broad pool can ensure that you have access to the right skills, make sure you have people available when the client needs them, match associates' personal style to the client and give yourself an advantage when negotiating day rates.

And remember that not every associate you test will work out for style, competence or price reasons. Which is another argument for always looking to bring in new talent and maintain a big pool.

# 3. Looking after the pool

All teams need to be nurtured, even those - or perhaps especially those - that may only meet and work together on an ad-hoc basis. Successful associate-based businesses keep nurturing their pool even when they don't immediately need them. It requires continual effort and regular contact through events (see below), team emails and one to one contact. But the effort is rewarded in terms of making them more likely to want to work with you vs competitors, and you having the inside track on their availability and any other changes to their situation.

## 4. Solving their problems

If you want to build a good relationship, think about where you can help your Associates out. By solving some problems for members of your pool you are demonstrating a commitment that fosters loyalty in your relationships.

For example, associates may want to build up their CV in a specific area and might be willing to be flexible on day rate for the chance to gain expertise and client experience that you can offer. Or it may be about solving work-life balance problems such as offering them a job close to home or flexible working to help them sort out childcare issues.

## 5. Organising events

Another way of adding value is to invite associates to company events that you organise. These might be work-related, like monthly review meetings or team building events. Or they might be more social like evening drinks or company away days. This is an opportunity to network not only with your team but also other associates who may also be a source of leads for them.

As well as getting your firm's message across and saying hello, you should use the informality of social occasions to ask for honest and candid feedback. For example, think about asking them what it's like to be an associate for your firm, what challenges they face and how you can assist in overcoming them.

## 6. Paying on time

One of those sacred employer - employee covenants for permanent staff is that they get paid on time. The same should be absolutely true for those employed on an associate basis.

Paying late sends all the wrong signals; associates may worry that the company is wilfully messing them about, incompetent or even insolvent. Any of these perceptions undermine efforts at relationship building and may even be deal breakers if your firm gets a reputation for paying late.

If cash flow and working capital conditions permit, consider paying early, at least in part. This is another element that can help to foster a good relationship. You're likely to be given more slack and stronger commitment when you need it.

## 7. Appraising like permanent staff

Despite the likelihood of a slightly more relaxed recruitment process, it is worth considering applying the review process you use for permanent staff to associate members of your team.

Working on an associate basis may block opportunities for CPD (Continuing Professional Development) that are often enjoyed by permanent workers. Offering associates a version of the permanent worker review process may help to identify any areas where refresh or update training is required. Once again, this adds value and helps to strengthen the relationship. Do make sure though that you stay the right side of HMRC's IR35 rules and maintain your associates' status as self-employed workers.

## 8. Induction into the firm

When it comes to induction consider the benefits of treating associates like permanent staff (again, with one eye to IR35). Applying the solid induction process which you have refined helps to make them feel welcome and establishes them as a part of the client-facing team – something that's important for permanent staff too.

And you'll want to subject associates to the same rigorous processes for joiners, movers and leavers as you apply to permanent staff ([see our blog on the subject here](#)). Managing all that process in a friendly, welcoming way is essential to setting the right tone early on.

## 9. Responsibility

To make sure that the activity for managing the associate ecosystem doesn't fall through the cracks it is important to make someone formally responsible for it as a business process. In smaller firms this can be a duty that is added to an existing job role. In larger or growing firm it might be a considerable workload that creates a permanent role.

Our experience is that a dedicated resourcer and associate pool manager is a very worthwhile investment once the firm has around 20-25 staff and associates working on projects on a daily basis. It might seem like a significant overhead but the time saved in finding and sifting new talent, retaining the good people and winnowing out the ones who don't fit, will be well worth it in terms of the founders' chargeable time.

## 10. Using technology

Choosing the right tools for managing an associate ecosystem is another whole subject but some places you might want to look include:

**Freelance Management Systems**, as their name suggests, help out with the management of freelance pools by allowing you to create databases of people, track work offered and taken, and in some cases to deal with essential tasks like carrying out background checks. Tools that are worth looking at are [Work Market](#), [Beeline](#) and [Field Nation](#).

**Social connectors** allow you to keep in touch with your extended team's lives and thoughts via their social media feeds. There are lots of products that do this but two you might want to check out at no cost are: [Outlook Social Connector](#), which acts as a central point where you can view updates from contacts in your social and business networks or, if you're a Gmail user then [Rapportive](#) (now owned by LinkedIn) does a similar thing.

**Collaborative working spaces**. Again this is a very crowded market but [Basecamp](#), [Huddle](#) and [Sharepoint](#) are all known for their ability to create shared places to store files, to-do lists, documents and other items that relate to a shared project. You can invite freelancers and clients to these spaces as well as your own staff.

**Team communication tools** are also taking off in a big way. The darling of them all is [Slack](#) which has a devoted following (the Brighter PSA team are big fans). Microsoft now owns [Yammer](#): this also has significant market share and advanced features come free if you use Office 365. You can use these tools to create real time channels for staff, associates who are currently working for you and associates that aren't currently doing a project but that you'd like to keep in touch with.

## 11. How can Brighter PSA help?

Brighter PSA's job is to help you use the talent you have available to maximise results for your client and profitability for your business. As part of an associate management approach, Brighter PSA:

- - Shows you where your resourcing gaps and overlaps are so you can manage talent sourcing or redeployment better
- - Delivers key insights such as which projects, clients and team members perform the best. This helps you to make choices about the talent you invest in and the right projects to put people on
- - Helps you understand where there is an over-reliance on key people to identify resourcing risks, or risks to sales and client relationships.



## About Brighter PSA

### The minds that make Brighter PSA tick

Brighter PSA was built by a small team of entrepreneurs who have founded, grown and sold companies like yours. We know what it's like to manage all stages - from when there are just two of you, to when you're dealing with hundreds of people in multiple teams. Brighter PSA is the distillation of the lessons we have learned along the way. Our mission is to make businesses like yours more successful. If you'd like to hear more about how we can help, get in touch.



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