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# CONSULTING

THE PEOPLE • THE PROFESSION • THE LIFESTYLE

## True Blue

With a winning strategy and **200% revenue growth**, True Partners Consulting is the gem of our **2008 Seven Small Jewels**.

Clockwise from bottom right: True Partners managing director Holly O'Connor, CEO Cary McMillan, and managing directors James Kane, Stanley Jozefiak and James Sweeney.

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THE HIDDEN GEMS OF THE CONSULTING PROFESSION

# seven small jewels

Each year, *Consulting* magazine recognizes the Seven Small Jewels of the industry. But our annual celebration of the little firms that could has evolved from simply a way to recognize those often overlooked firms to a testament to the impact that all small firms are having on the industry. They are helping shape and redefine the consulting marketplace. In many ways, the seven firms featured this year represent a snapshot of the new consulting landscape. Smaller firms are no longer flying under the radar. Rather, they are playing in the big leagues and challenging the legacy firms by going after their clients and their talent. And, in many cases, they are winning. The 2008 Seven Small Jewels—ranging in size from \$3 million to \$52 million and from just 13 billable consultants to 200—are leading the charge of the resurgence of the small, niche, consulting firm that plays a major role in the profession today.

# The Claro Group

**LEGACY MEANS A LOT TO THE** founding partners at The Claro Group—the roots of which stemmed from working together at Arthur Andersen. When the company went bust in 2002, the future founders went on to other consulting firms, but longed to get back to what they liked about Andersen. So they created The Claro Group in 2005, where the goal was to create an environment where a group ran and owned the company and its team could eventually take their places as the owners of the business.

“We wanted to create a firm where we could control our own destiny and focus on things that mattered to us the most—the clients and the people,” says managing director George Hansen. “We’re one hundred percent owner operated, meaning that the senior partners are the only owners of the firm—there are no third-party financial interests. If you’re public or have third-party investors that’s just another entity that has the power, and they are the ones who should matter the least in a consulting firm.” As a result, the firm is flexible in dealing with clients in terms of adopting fee structures and other customizable options.

Clients also can expect a wealth of experience from Claro,

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*George Hansen, managing director of The Claro Group*

which provides financial and management consulting services in three core areas: Insurance claims, healthcare revenue cycle consulting, and strategic sourcing and supply chain consulting as most of the team has years of experience to parcel out. And while you’re not going to find a CEO, there’s no lack of leadership: The managing directors run the show as a group, with two senior members assigned to almost every client engagement to supply the best experience to each situation.

“We really understand our clients. With insurance, we understand how to work with insurance companies to get the insured what they are entitled to whether it’s the largest [Hurricane] Katrina claim or large asbestos claims,” says managing director Venanzio Arquilla. “We take the knowledge we have in each of the three core areas to make an impact which is really powerful.” It’s that kind of benchmarking that helped an international benefits consulting firm reduce its employee healthcare costs by 15 to 20 percent by working with Claro.

Claro’s business model also helps it attract and retain top employees by linking compensation to performance and providing time and work solutions to accommodate people’s lifestyles.



Managing directors Venanzio Arquilla (left) and Mark Hargis

“We’re very much focused on our people having a good, flexible place to work,” says managing director Mark Hargis. “We want them to get the work done and have it be high quality—how they do it or where [they do it] is less important. They need to be part of a community, but if they have things they need to get done in their personal life, we accommodate and work around that. Then we link and reward their performance based on how they do and how the firm does.”

The strategy works as it brought Claro 56 percent growth last year to \$25 million in revenue. And while all growth is good, the firm’s leaders don’t want to grow just for the sake of it. “We want to continue looking for ways to take our skills and apply them to client situations, which helps clients solve problems and make money or save money—ultimately leading to more business,” Hargis says.

Claro is in Chicago, Houston and Los Angeles now, and Hansen and Arquilla say they plan to expand further by launching in New York this

**Headquarters:** Chicago

**Offices:** 3

**Billable Consultants 2007:** 65

**Revenue 2006:** \$16 million

**Revenue 2007:** \$25 million

**Projected revenue for 2008:** \$30 million

year, as well as adding 20 more consultants.

But even looking forward, the firm’s founders don’t forget their roots. “We were fortunate to work together prior and we all felt strongly that there were good attributes at Andersen,” Hargis says. “That gave us a common bond to build off of. We wouldn’t have gotten to where we are without it.” —Christine Galea



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