LEA Global Consulting Marketplace (GCM)
Guidelines and Expectations

OVERVIEW

The Global Consulting Marketplace (GCM) is envisioned to be a resource center that includes a searchable platform of unique advisory skills and interests of LEA Global Member firms. The site will allow Member firms to connect with each other to fill gaps in capability areas and offer specialized skills to serve clients. The GCM will facilitate the sharing of Member firm expertise, enable Member firms to collaborate to better serve clients, and provide access to unique and specialized capabilities to serve the needs of clients that Member firms may not otherwise be able to fulfill. Support may come in the form of assistance with technical questions, sharing of best practices on consulting-related topics, help with a specific solution (co-sourcing), or complete outsourcing of a particular solution.

Providing Members must have the capacity, willingness, and commitment to fulfill its responsibilities to participate in the GCM. Providing Members may also assist with technical education, opportunity education assistance, sales and marketing, and scoping and pricing related to their area of expertise. This assistance will allow Member firms to proactively seek and identify consulting opportunities for their clients and confidently serve them. Instead of reactively addressing client needs that fall outside of an individual firms' areas of expertise, this proactive approach will provide a competitive edge and allow Member firms to expand their service offerings and extend client relationships. In other words, there is an expectation that Providing Members will play a transformational role in the consulting practices of all Members.

OVERSIGHT

LEA created the GCM Steering Committee to facilitate participation and ensure equitable experiences with the GCM. The GCM Steering Committee comprises volunteers from LEA member firms around the world and will work closely with LEA on the oversight and governance of the GCM. Ultimately, Providers and Relationship Members in the GCM will negotiate and agree upon the particular terms of their engagement with each other. However, as outlined below, specific guidelines and expectations have been established by LEA and the GCM Steering Committee, collectively (LEA), to help ensure successful collaborations. These guidelines and expectations will be monitored by LEA.

Please note: While LEA is verifying and validating that the Providing Member has a legitimately established practice, it is ultimately the responsibility of both parties (Relationship Members and Providing Members) to perform their due diligence and thoroughly vet and qualify any Member before entering into an agreement.

When both parties do decide to engage, it is up to the Members to determine how they will work together (i.e., formal engagement letter, straight referral, white label, etc.). LEA’s role is to help connect firms and bring talent together, but the transaction entered into is between the two parties.

GUIDELINES AND EXPECTATIONS

1. **Participating Members**
    a. **Providing Member** – Members who are willing to leverage specific expertise to other LEA Members. Providing Members must have the capacity, willingness, and commitment to fulfill its responsibilities to participate in the GCM. (See Section 4 for detail on Qualifications.)
    b. **Relationship Member** – Members who utilize the Providers' services through the GCM, fulfilling a client need.
2. **Client** – Third party being served primarily by the Relationship Member. The Relationship Member is introducing the Client to the GCM to fulfill needs that require additional expertise.
3. **Engagement Types**
    a. **Client Direct** – The Provider engages directly with the Client. The Relationship Member may continue to provide a "coordination" or "project management" role by engaging directly with the Client.
    b. **Private Label** – The Relationship Member engages the Provider directly to provide services to the Client. While Client disclosures may be required in a "Private Label" engagement, the Relationship Member and Provider are not required to disclose their economic arrangement to the Client.
    c. **Sub-Contract** – The Relationship Member engages the Provider directly to provide services to the Client. While Client disclosures may still be required in a "Sub-Contract" engagement, the Relationship Member and Provider disclose their economic arrangement to the Client.
4. **Qualifications of Providing Members**
    a. Providing Members will be selected based on technical expertise and service level qualifications. In addition, Providing Members must demonstrate sufficient capacity to serve the Relationship Members. (See Section 8 – Selection Process.) Specifically, the GCM is looking for Providing Members with:
        i. Dedicated resources that possess specific or relevant experience commensurate with the specialty area served,
        ii. A clear track record of high performance in both quality and service, and
        iii. The capacity and desire to serve Relationship Members as an integral part of its business development strategy.
5. **Expectations of Providers**
    a. **Service Support Options**
        i. Assistance with technical questions,
        ii. Sharing of best practices,
        iii. Assistance with a specific solution (co-sourcing), or
        iv. Complete outsourcing of a particular solution.
    b. **Additional Requirements** – Providing Members will assist with:
        i. **Technical education and thought leadership** – Providers are expected to be experts and thought leaders in their respective areas. They are expected to provide periodic webinars and other content that is relevant and timely to LEA members to promote their area of expertise.
        ii. **Opportunity education assistance** – Providers are encouraged to provide sufficient information and awareness (this may be in the form of a checklist, webinar or sample questions) on how to identify opportunities within a Member's own client base to enable a Member to identify or surface an opportunity with the Client.

iii. **Sales and marketing** – Providers are encouraged to share brochures, links to web pages, etc., that enable the Members to articulate the value proposition for their respective area(s). See section 11(c) Economic Arrangements/Business Development for more details on Sales and Marketing expectations.

iv. **Scoping and pricing related to their area of expertise** – Providers are expected to assist Relationship Members with scoping and pricing efforts for both "Client Direct" and "Private Label" engagements. See section 12(c) Economic Arrangements/Business Development for more details on Scoping and Pricing expectations.

6. Expectations of Relationship Members

a. Support the Providing members in the GCM by considering them an "A" resource for consulting-related needs.

b. Assist Providers with scoping and pricing efforts for both "Client Direct" and "Private Label" engagements. See section 12(c) Economic Arrangements/ Business Development for more details on Scoping and Pricing expectations.

c. See additional expectations in section 9(b) Service Level Expectations/Relationship Members.

7. Expectations of ALL Participating Member Firms

a. Appoint a Champion within the firm to promote the GCM initiative.

i. The Champion should understand and communicate the benefits of the GCM and the guidelines and expectations such as non-solicitation with their team. Refer to the GCM Champion Role and Responsibilities in section 14.

b. Perform due diligence by vetting the Member before entering into a proposed transaction.

c. When entering into a relationship with another firm, ensure everyone on the team is aware of the firm you are working with to avoid client and talent solicitations between the firms.

d. Be a team player, treat everyone with respect, communicate openly, give constructive feedback, address conflict and be time efficient.

8. Selection Process

a. Members who desire to be promoted as a Providing Member within the GCM will submit an application to the LEA GCM Steering Committee. The Steering Committee will make selections based on all criteria available. The Steering Committee may also determine the appropriate number of Providers for each respective area.

9. Service Level Expectations

a. Providers

i. It is expected that Providers in the GCM view LEA and Relationship Members as their Client and a valued channel for their business development strategy. Accordingly, service levels should be consistent with those displayed for other clients.

ii. Response time – All calls or emails from Relationship Members shall be responded to within 24 to 48 hours.

iii. Completion time – Providers are encouraged to be very transparent about timelines and set the expectations between the two parties. A suggested guideline is to hold weekly or bi-weekly progress meetings with the Client. Providers are expected to utilize commercially reasonable efforts to complete and deliver the product/service based on agreed upon timelines in the contract.

   b. Relationship Members
      i. Relationship Members are encouraged to provide well thought out questions, and utilize best efforts to collect and provide all pertinent data when accessing a Provider for technical assistance. Relationship Members understand that the quality and technical accuracy of responses, are limited to the quality of information being provided.
      ii. Relationship Members will provide all necessary data on a timely basis and provide best efforts to support communication between the Provider and Client to maintain efficiency and timeliness.

10. **Non-Compete/Non-Solicit**
    a. The Provider should not compete with Relationship Members on referred Clients for the service provided or any other services regardless of whether the Relationship Member currently provides the other services to the Client.
    b. The Provider should not solicit referred clients of the Relationship Member.
    c. Both Provider and Relationship Member should not solicit members of the other party's engagement team.
    d. If solicited by the Client, Providers are expected to encourage the Client to discuss any specific service issues with the Relationship Member and potentially facilitate a discussion between the Relationship Member and the Client to create awareness of client service issues and discuss solutions. Providers are encouraged to clearly communicate that they value the relationship with the Relationship Member and will not compete for personnel or client relationships without open discussions.
11. **Confidentiality**
    a. **Client Confidentiality** – The Provider is expected to keep all information confidential as you would any other client. We encourage you to use good business practices in preserving the confidential nature of the services provided.
    b. **Provider/Relationship Member Confidentiality** – The Relationship Member and Provider should consider that certain intellectual property, business processes, methodology, procedures, client lists, trade secrets, information, etc. used by the Relationship Member or Provider in connection with the operation of their business and services may be disclosed during the course of the engagement to serve the Client. The Relationship Member and Provider agree that all such information shall remain confidential.
    c. The Provider and Relationship Member should consider entering into a non-disclosure agreement. For sample agreements, click here and here.
12. **Economic Arrangements –** LEA does not dictate the economic arrangement between Providing Members and Relationship Members, and they are free to negotiate as they see fit for the circumstances. The following information is provided to help outline different ways firms can work together. They are not mandates. Ultimately the firms will choose how they work together.
    a. **Client Direct –** Under a "client direct" arrangement, the Provider is engaging directly with the Client and can utilize any economic arrangement agreed to by the Relationship Member, as their client advocate, and the Client. When determining appropriate fees, the parties should consider the following best practices:
       i. **Fees –**
          1. See AICPA Code of Conduct Section 1.520 - Guidance on referral fees and related disclosures.
          2. See Independence Requirements under the AICPA Code of Professional Conduct

ii. **Things to Consider –**
1. In a "Client Direct" arrangement, the Provider bears the economic risk of collections from the Client.
2. Independence should be evaluated and determined by both parties.
3. The Provider may inquire of the Relationship Member any client acceptance procedures performed.
4. The agreement is between the Provider and the Client.

b. **Private Label or Sub-Contract –** Under a "private label" or “sub-contract” arrangement, the Provider is engaged directly with the Relationship Member and can utilize any economic arrangement agreed to by the Relationship Member.

i. **Consulting Services –** In situations where the Provider is acting as a technical resource to the Relationship Member, the Provider is expected to invoice, and the Relationship Member is expected to pay, for time incurred more than a de minimis amount (estimated to be fifteen minutes).

1. See Sample Subcontractor Engagement Letters.

ii. **Economic Risk of Collection –** In a "Private Label" or “sub-contract” engagement, the Provider may engage directly with the Relationship Member. Therefore, it does not bear the economic risk of collection from the ultimate Client. The Relationship Member is expected to pay the Provider's invoices on a timely basis in accordance with their agreement, regardless of the timing, uncertainty, etc. of the underlying collections from the Client.

c. **Business Development –** We strongly encourage the Provider and Relationship Member to discuss who bears the investment for non-chargeable sales efforts as well as scoping and pricing activities for mutual engagements to avoid mismatched expectations. However, it is expected that the Provider will assist with these activities at a level commensurate with the expected size and profitability of the engagement.

13. Customer Satisfaction Survey

Periodically, we will ask Providers and Relationship Members who have entered into an engagement to provide feedback on each other in areas such as: perceived quality of the work product, quality of data provided, client experience and working relationship.

a. **Format of Survey** – The member will have the ability to rate the other party in the areas outlined above as well as provide specific comments.

b. **LEA Oversight** – LEA’s role is to bring firms together, but it is the responsibility of the engaging firms to perform their due diligence to help ensure quality standards and responsiveness needs are met. LEA will monitor the Customer Satisfaction Surveys completed by Members and take action as appropriate if necessary.

14. GCM Champion Role and Responsibilities

The Champion will serve as the central point of contact for the Global Consulting Marketplace and act as the face of your firm to LEA to help promote engagement, develop relationships and drive commercial activity. See section 7(a) Expectations of ALL Participating Member Firms.

a. **Responsibilities:**
- Drive awareness and usage of the GCM
- Ensure your firm fulfills its obligations as a Provider or Relationship Member, when applicable

- Promote the GCM to your clients and within your firm
- Report on referrals/engagement activity
- Provide feedback on the program on behalf of your firm
- Participate in LEA events and activities

b. **How LEA Will Support You:**
   - You will receive all leadership communications to make sure you are kept up to date on new business and initiatives
   - You will have the opportunity to attend LEA regional conferences and other member meetings to share and learn from each other
   - Attend separate online and in-person events for Champions
   - Obtain registration fee discount at regional conferences
   - Attend session specifically for Champions at regional conferences