Consultants Should Use Numbers

Idea In Short

Use numbers in every deliverable you produce. Specific figures make arguments visible, credible and memorable, while vague adjectives fade the moment the slide ends.

Why Numbers Matter

Numbers are compelling. They are easy to see and easy to remember. They serve as proof. No wonder resume bullets should always have them. The Economist uses numbers to great effect across every beat it covers. The publication loves fractions, percentages and comparisons because they crystallize complex realities into digestible claims. Professionals who want their arguments to land should study how journalists deploy figures. 1

A number without context is just a digit. A number with context becomes a story. When you say family offices manage up to four trillion dollars, that is impressive. When you add that this exceeds hedge fund assets and equals six percent of global stock market value, the scale becomes vivid. The same principle applies to any consulting deliverable. Raw figures need a frame of reference to resonate with the audience.

Family Offices as Financial Titans

Consider how The Economist quantified the rise of family offices. These private investment vehicles for ultra-wealthy families now manage up to four trillion dollars in assets. That figure surpasses hedge funds and represents roughly six percent of the world's stock market value. The average family office oversees between 500 million and one billion dollars. George Soros's office manages 25 billion. Since 1980, the share of global wealth owned by the top 0.01 percent has risen from three percent to eight percent. 2

These numbers tell a story of concentration and scale. Family offices carry debt equivalent to only 17 percent of their assets, making them among the least leveraged participants in global markets. The average family office returned 16 percent in 2017 and seven percent in

2016. Hedge fund allocations fell to just six percent of portfolios. Every figure sharpens the narrative. Every comparison deepens the insight.

Comparisons Create Insight

Numbers gain power through comparison. Alberta produces 81 percent of Canada's oil and gas, yet its sovereign wealth fund contains a paltry 17.5 billion Canadian dollars. Norway's fund, set up 14 years later, holds roughly one trillion dollars. The office vacancy rate in Calgary exceeds 27 percent, up from four percent in 2012. Unemployment sits at 6.3 percent, above the national average of 5.6 percent. Each pair of numbers creates a tension that demands explanation.

The same technique works for social issues. America imprisons roughly 2.2 million people, yet less than ten percent sit in federal prisons affected by reform legislation. Fentanyl is 30 times more potent than heroin, which makes it easy to smuggle in small quantities. A purchase costing 3,000 to 5,000 dollars in China can fetch 1.5 million dollars on American streets. About 29,000 Americans died from opioid overdoses in 2017, up from roughly 5,000 in 2014. The numbers escalate the urgency.

Fractions and Percentages in Action

The Economist uses fractions and percentages to frame market shifts. Just 14 percent of American adults smoked cigarettes in 2017, compared with roughly 42 percent in 1965. Altria spent 1.8 billion dollars to buy a 45 percent stake in Cronos Group, a Canadian cannabis firm, with an option for another ten percent. The recreational cannabis market could be worth between 40 billion and 70 billion dollars, equivalent to American spending on wine or spirits. Altria's 2017 revenues were just over 25 billion dollars.

These figures do more than inform. They reframe an industry pivot from tobacco to cannabis. The numbers reveal magnitude, trajectory and strategic logic. A consultant presenting the same shift without figures would rely on adjectives like "significant" and "growing." Those words convince no one. The numbers convince everyone.

Market Capitalization as Proof

PayPal defied conventional wisdom and reached a market capitalization of 101 billion dollars.

That figure makes it larger than Goldman Sachs or Morgan Stanley by value. The firm is expected to facilitate digital payments worth roughly 582 billion dollars, about four times more than in 2012. Expected operating income for 2018 reached 3.4 billion dollars. Roughly 60 percent of Americans shopping online used PayPal in the past year. About 80 percent of the top 500 online retailers offer it as a payment option. 3

These figures demonstrate network effects, growth velocity and market penetration. Each number replaces a paragraph of qualitative description. About 40 percent of American transactions still use cash, which signals room to grow. PayPal spent 2.9 billion dollars on acquisitions in 2018, including 2.2 billion for iZettle and 800 million for Braintree, which brought Venmo into the fold. The numbers map the strategy.

Scale and Proportion

Numbers communicate scale and proportion in ways words cannot. India ranks 177th out of 180 countries on an environmental health index from Yale and Columbia universities. Indian cities claim 14 of the top 15 spots in the World Health Organization's air pollution rankings. Delhi chokes on roughly twice as much fine particulate matter as Beijing. Recent estimates put the annual death toll from breathing such particles at 1.2 million to 2.2 million. The lifespan of Delhi residents shortens by more than ten years.

The space industry projects growth from 350 billion dollars in 2016 to more than 1.1 trillion dollars by 2040. New internet satellites will account for half that increase. About 470 million households and 3.5 billion people lack internet access. OneWeb claims its satellites might weigh 150 kilograms and cost a few hundred thousand dollars, compared with a tonne or more and tens of millions for geostationary models. The numbers make the business case tangible.

The Discipline of Quantification

Professionals should adopt the discipline of quantification in every deliverable. A study found that workers are willing to give up 20 percent of wages to avoid irregular schedules set on short notice. Employee-friendly scheduling boosted sales at Gap stores by an average of seven percent. Michael Dell took his company private in a deal worth 24.4 billion dollars and invested 13.6 billion in research and development since 2013. He then acquired EMC for 67 billion dollars, the largest-ever tech acquisition. Annual revenues look set to exceed 90 billion dollars.

These are not decorative figures. They are the substance of the argument. A consultant who writes "Dell invested heavily in research and development" says nothing. A consultant who writes "Dell invested 13.6 billion dollars in research and development since 2013" says everything. The number carries the weight. The adjective carries nothing.

Apply the Principle

Every bullet on your resume should have a number. Every slide in your deck should anchor its claim in a figure. Every paragraph in your report should quantify its assertion. The Economist does this on every page. Fortune 500 executives do this in every earnings call. The discipline is simple yet rare. Choose the figure, find the comparison and let the numbers do the persuading. Vague language is forgettable. Specific numbers are not.

- 1Using numbers to make your writing more persuasive
- 2Family offices as a multi-trillion-dollar colossus
- 3Making an impact with numbers and statistics

Summary

Numbers convert opinions into proof. They anchor comparisons, reveal proportions and stick in memory long after the meeting. Adopt the discipline of quantifying every claim you make.