

Human Enterprises Consulting Pty Ltd

trading as H4 Consulting

2021-22 Annual Statement

about H4 Consulting

our vision

H4 Consulting creates public value by providing specialist public sector consulting services to Governments and their delivery partners.

our mission

At H4 Consulting we:

- collaborate with you to increase public value
- facilitate innovative strategies to improve publicly funded services
- design creative, sustainable management solutions
- help public service providers and purchasers to plan and implement change
- deliver momentum, not just reports.

our values

imagination

- cultivate and apply a restless, value-creating imagination
- stimulate learning by reading widely and thinking deeply
- find and solve tomorrow's problems.

integrity

- consider people equally without prejudice or favour
- act professionally with honesty, consistency, and impartiality
- take responsibility for situations, showing leadership and courage
- place the public interest over personal interest.

trust

- appreciate difference and welcome learning from others
- build relationships based on mutual respect
- uphold the law, institutions of government and democratic principles
- communicate intentions clearly and invite teamwork and collaboration
- provide apolitical and non-partisan advice.

service

- provide services fairly with a focus on customer needs
- be flexible, innovative, and reliable in service delivery
- engage with the not-for-profit and business sectors to develop and implement service solutions
- focus on quality while maximising service delivery.

accountability

- recruit and promote staff on merit
- take responsibility for decisions and actions
- provide transparency to enable scrutiny
- observe standards for safety
- be fiscally responsible and focus on efficient, effective, and prudent use of resources.

our history

H4 Consulting was started in 2014, with a focus on human and social services policy and strategy. We initially operated in NSW under the Performance and Management Services Scheme, and gradually expanded our client list to encompass NGOs and government agencies of Queensland, Victoria, South Australia, and Australia.

our people

The ongoing measures to control the spread of COVID-19, especially the extended lockdown from June to October 2021, continued to delay our expansion plans.

We farewelled our longstanding Office Manager who joined the teaching workforce after completing her university studies. Our Office Assistant was promoted into the vacancy.

Over several periods of enforced remote work in recent years, we found that our client-facing team members are most effective when we work together full-time in our Surry Hills office. Some of our back-of-house roles, however, are suitable for ongoing remote work. We slightly expanded the size of our support team in 2021-22, with a mix of office-based and remote workers.

Directors' statement

strategic direction

The COVID pandemic contributed to continued disruption and uncertainty for our clients through the first half of 2021-22.

Despite the slow start to the year, rebounding trading conditions from December 2021 contributed to a moderately successful year overall, with an expanded client base of government agencies and NGOs in NSW and interstate.

major events and achievements

major projects/clients

Our biggest client group in 2021-22 was agencies within the NSW Health cluster. Some notable projects in 2020-21 included:

- providing program management training, coaching and expert advice in several states, including for major health, environmental, and financial initiatives
- reviewing the functions and resource allocations of entities and programs to assess alignment with government and management priorities
- facilitating resolution of inter-agency policy and practice misalignment between parties from different perspectives, including engineers, regulators, and project managers
- designing a governance framework for a government agency to support better decision making and information flows, and to clarify accountabilities
- preparing robust business cases for several current and proposed health services and programs, including a community helpline
- mapping business processes and enhancing management tools for an environmental regulatory scheme
- supporting development of, and inter-agency consultation on, a major strategy for regional NSW
- providing expert advice to support service outsourcing arrangements, including for a regional community service and a research program.

new H4 Consulting website

We launched our [new company website](#), which now looks better, is easier to navigate, and supports e-commerce. We are gradually expanding the collection of free and premium resources and content published on the site. This includes two substantial eBooks published in 2021-22 that adapt and apply management concepts, like transformation management and stakeholder analysis, to the context of publicly funded organisations.

in-house film studio

Following the success of our trial creating training videos for selected clients in 2020-21, we worked with Ridge Films to install a discrete film studio in our Surry Hills office. We can now create high-quality custom videos on demand for clients, as well as premium training resources for a wider audience via our website.

Australian Government prequalification

We successfully applied to become a prequalified supplier of Organisational Planning and Development services to the Australian Government under the Management Advisory Services Panel. This complements our prequalification under equivalent state-based schemes and makes it easier for our Australian Government clients to engage our services.

executive coaching

We also launched a new line of business in 2021-22: executive coaching. This service has been requested in the past, but this year for the first time we supported executives in multiple Australian jurisdictions with individually tailored programs of coaching and knowledge transfer.

looking ahead

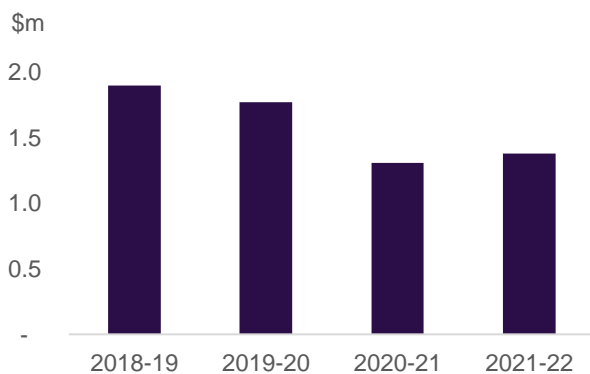
Following a successful trial of employing wholly remote workers in non-client facing roles, we plan to further expand our team in 2022-23. This will include client-facing roles in our Surry Hills office as well as additional remote roles in our support team.

We expect the upward trend in demand to continue in the coming year, with word-of-mouth referral from satisfied clients continuing to be our core business development strategy.

2021-22 trading conditions

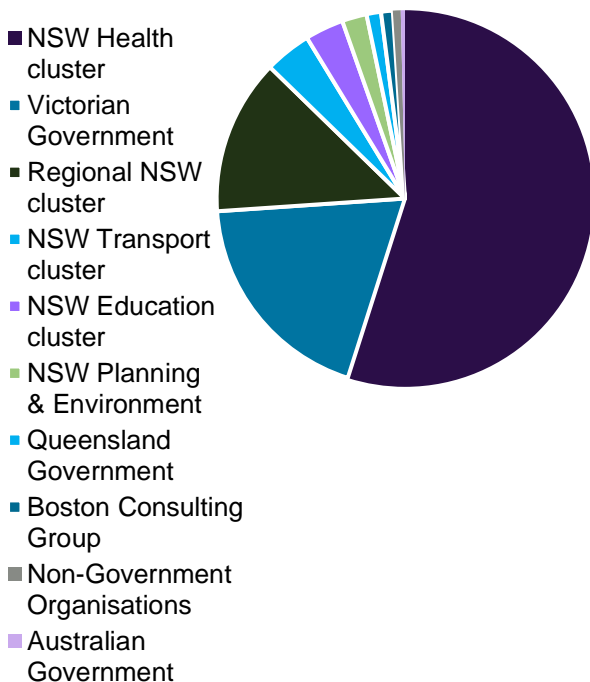
revenue

The disruption and uncertainty caused by COVID-19 continued to affect our clients for most of 2021. Revenue recovered into 2022, but remained well below pre-COVID levels. We took on a similar number of projects compared with prior years, but projects tended to be smaller in scale and more likely to be delayed by clients, often for extended periods.



client profile

NSW Health cluster agencies were again our largest source of revenue. Victorian Government agencies also remained a significant client group, especially in the first half of the year. We welcomed some new clients in 2021-22, including Regional NSW and a well-established NGO in the social services sector.



expenses

	2019-20 (\$'000)	2020-21 (\$'000)	2021-22 (\$'000)
employee related	740	612	598
other operating	102	65	65
accommodation	148	280	72
landlord expenses	43	31	30
income tax	137	57	135
total expenses	1,170	1,044	900

operations

effects of COVID-19

After a promising start to 2021, trading again dropped significantly during Sydney's lockdown, which extended from June to October 2021. Many of our NSW clients' projects were postponed or delayed for weeks or months. Demand bounced back aggressively from late October, with many clients aiming to complete projects before Christmas.

rental income

We provided rental relief to our Elizabeth St tenants, consistent with the Australian Government's policy guidelines, but did not qualify for any government support provided to landlords. This further reduced our profitability until rental income returned to normal after Sydney's lockdown ended.

remote working and delivery

Even after lockdowns ended in NSW and Victoria, many of our clients continued to prefer virtual rather than face-to-face meetings and workshops. This has increased our efficiency by reducing the time we spend travelling.

We have also continued to build our skills and toolkit for facilitating effective meetings and workshops online. This included a successful virtual workshop with more than 100 public health workers participating from across NSW, which was our largest ever virtual workshop.

Public sector clients started returning to their offices in the second half of the year, but we continue to deliver some successful client engagements without any in-person meetings.