

# **A Case Study of the business review of a digital media business, undertaken on behalf of the majority shareholder**

## **Introduction**

The Client was a medium sized company, established for about 18months which was active in the digital media sub-sector.

The company had acquired in the region of 500 plasma screens of varying description and sizes for implementation across various in-door sites (Banks, restaurants and bars typically) in two major cities. The intention was to transmit relevant advertising content across these screens.

## **Background**

At the time of retaining PBA personnel, the majority shareholder was concerned about the strategic development of the business, its direction, the structure of the business and the strength of its revenue stream in an increasingly competitive market place.

## **PBA's Role**

PBA was asked to undertake a forensic review of the business, and to deliver an honest assessment of the potential for the business including an assessment of the potential market place, competitive environment and an action plan to implement recommendations made.

## **PBA's approach.**

PBA undertook a comprehensive review, beginning with an audit of the whereabouts of each screen reconciling this against internal company records. This highlighted a number of screens which were either missing, incorrectly positioned (against company records) or otherwise not operating (need for service, broken or otherwise just not switched on).

This review also highlighted the profitability of each screen, identifying the ones operating at capacity. PBA was able to recommend an action plan addressing the issues arising, suggesting a targeted approach and priority areas to be addressed.

The audit also highlighted other priority areas for attention within the company, and created an action plan to address these issues. These included the following

- Review and redesign of the organisation structures (including governance structures)
- Creation and recruitment for key business functions

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- Re-focus of systems and IT platforms used
  - Creation of business processes and work activities that needed to be undertaken
  - Revamp of major roles and responsibilities
  - Plan to develop requisite skills, knowledge and competencies of the staff
  - Redesign of customer and distributor experience
  - Redesign communications and engagement mechanisms to better understand and address screen break-down and operating issues
  - Review the executive team's capabilities and made relevant recommendations to improve
  - Repositioned company for growth

It was important to ensure that key business controls were implemented and imbedded within the business as these were found to be sub-standard within the context of our audit.

## **The Outcome**

The outcome was that the Client became an organisation with a clear idea of where its costs were being incurred. The Client became better focused upon where its revenue was being generated and had a much better concept of business risks and controls. The Client implemented a new management structure which was able to address its core business requirements, and position it for growth.

The new structure enabled management to concentrate on managing individual business units with clear strategic goals agreed in place for each. A clear management framework was implemented to ensure effective management of the different issues that each were faced in undertaking their roles.

A relevant performance management framework was also implemented, which enabled the alignment of staff and management alike to the defined strategic business goals.

## **PBA's Contribution**

PBA remained committed to the Programme throughout, and contributed significant expertise to the Client as it assisted in creating a new strategically focused Business Plan, ready and fit for implementation.

By adopting a collaborative and communicative approach, the PBA team was able to build a strong working relationship with the Client team, and as a result provided significant value in implementing the Plan based upon clearly defined revised and relevant Business and Technology processes.

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## **Client Benefits**

The benefits to The Client were numerous:

- The Client was able to re-focus management on solid business principles, based upon strong controls and disciplines
- The Client was positioned to grow
- The Client had a better understanding of its cost and revenue structure, in a way that facilitated pro-active management of the business for the future
- The Client was able to address servicing issues more efficiently in the future
- Embedded discipline controls and performance orientated behaviours created a winning culture across the company's staff