



## CASE STUDY

### FINANCIAL CONTROL: CREATING FINANCE CULTURE

**Company:** Professional Services - Governance, Risk and Compliances

**Stage:** Growth

**Industry:** Business Services

**Publish date:** March 2012

#### Why did you engage with BMIM?

Set up financial systems to support the high level of growth - financial control and waste reduction.

Create financial culture - modify the working style and approach

### HOW WE WORKED TOGETHER

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| <p>1 Agree priorities to achieve quick wins and long term positive change</p> <p>2 Identify the key areas of management-influenced waste</p> <p>3 Work with management to raise awareness of how the cash is being burnt by their style of working</p> | <p>4 Introduce key controls to help drive operational efficiencies</p> <p>5 Turn the changes into a KPI structure business could measure its progress</p> <p>6 Construct ideal profile to guide management and provide means for comparison</p> |
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#### INCREASED OPERATING EFFICIENCIES

- Better use of direct labour
- Reduction of travel expenses

#### INCREASED NET CASH FLOW BY 30%

- Reduction in debtors days by 10days
- Reduction in inventory
- Reduction in work in progress days by 40 days (from 120)

#### INCREASED GROSS MARGIN BY 5%

- Control on discounts given by sales
- Recognised unbilled bit earned revenue

### RECOMMENDATION

“ Within 8 weeks **BMIM** have given us the structure and guidance to help us manage our business better. They have truly helped us understand the key drivers of performance in our business. We know that if we continue to follow these KPIs and work within this framework we can further improve performance and build higher business value. We decided to extend the engagement for 2 more years. ”