



Operational performance

Professional Practice Solutions

It's the little details that make a big difference

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Monetizing intellectual capital

Professional services firms are undergoing fundamental changes and it is incumbent on management to:

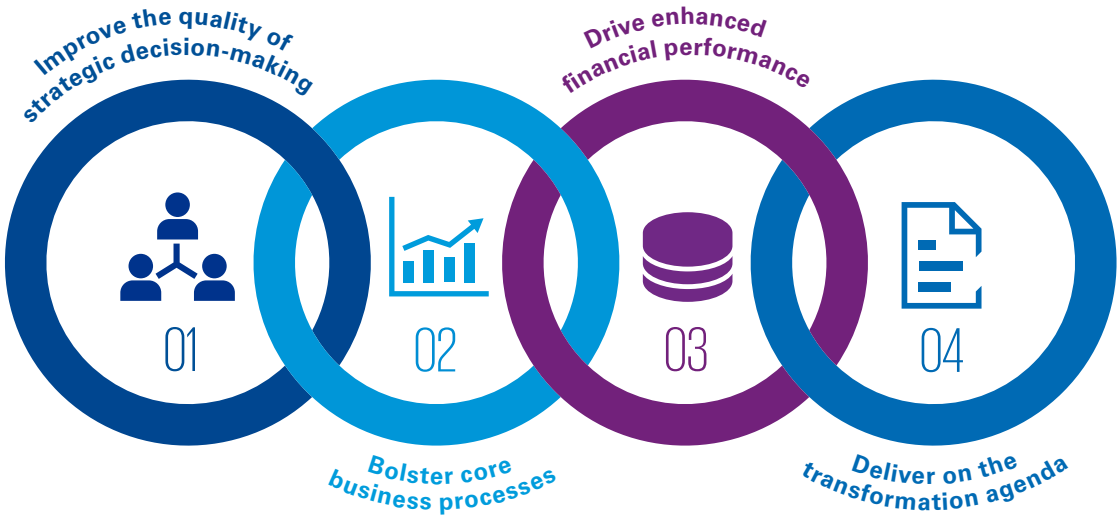
Maximise profitability today and drive maximum value from the current business model.

Fund plans for future growth; be it capital investment, changes to the commercial model or entering new markets, products or business alliances.

Build resilience in the business model and balance the expectations of partners today with the longer term needs of the partnership.

We have combined a suite of specialists and services to help you:

- 1. Improve the quality of strategic decision making.
- 2. Bolster core business processes.
- 3. Drive enhanced financial performance.
- 4. Deliver on the transformation agenda.



1. Improve the quality of strategic decision making	2. Bolster core business processes	3. Drive enhanced financial performance	4. Deliver on the transformation agenda
<p>Adapting to changes</p> <p>Professional service firms are exposed to many major economic and behavioural challenges. As a result, the industry is undergoing and preparing for fundamental changes. It is vital management strive to optimise their businesses today, together with a clear plan to a desired future state.</p> <p>Management need to unlock potential to drive profitable growth. Following a merger, major capital investment, or a tactical cost reduction programme; where do you go to find ways of driving improved financial returns for partners, whilst positioning the firm for the future?</p> <p>We can help</p> <ul style="list-style-type: none">– Understand the current position, financial drivers and provide a robust baseline.– Prioritise actions in a capital-constrained environment.– Provide evidence to articulate a compelling ‘case for change’.– Manage and encourage ‘buy in’ from key stakeholders.	<p>Moving from anecdotal to analytical is crucial to any change programme</p> <p>Periodic refinement and overhaul is an important business as usual activity, but what if the scale and required pace of change is too great?</p> <p>We meet many firms who generate huge quantities of valuable data, but struggle to bridge the gap from ‘data rich but insight poor’ to the ‘hard facts’. Often core business processes and IT infrastructures arrive in their current configuration as a legacy of mergers and a series of workarounds.</p> <p>We can help</p> <p>Fit-for-purpose systems and processes allow professional service firms to capitalise on their data – We can provide hands-on practical assistance with the challenge of how to harness transactional information (often stored across multiple legacy, unconnected systems) by:</p> <ul style="list-style-type: none">– ‘Taming the data beast’ – finding ways of harnessing and linking data to provide a single point of truth that people recognise throughout the organisation.– Providing timely, insightful and robust management information and KPIs.– Bridging actual performance data to target performance level.– Handle data of varying quality and from multiple disparate sources without the need to overhaul existing IT infrastructure.– Improve the speed of provision, rigour and quality of management information.– Deliver quick turnaround times and low running costs, with new information hosted on the cloud.– Provide intuitive dashboards on KPIs that can be shared throughout the organisation.	<p>Cash is the lifeblood of any business</p> <p>Lockup is often the largest number on the balance sheet and can negatively impact firms. When prioritising potential actions in a capital-constrained environment, lockup improvement often delivers the greatest near-term improvements. Lockup can be a key area of improvement following the move from anecdotal to analytical. With improved systems in place, it becomes easier for management to drill down into business units, highlight performance and improvement areas.</p> <p>We can help</p> <ul style="list-style-type: none">– Deliver dynamic information sets, insights and clear performance improvement recommendations.– Review all your performance at a transactional level, to identify areas for improvement.– Identify clear prioritised actions to reduce lockup and improve liquidity.– Measure the economic profitability of your business from different angles and provide insight on the financial performance of the current operating model, peer differences and areas for improvement.– Link your strategic plans, associated investment requirements with your available cashflow generation to explore how to optimise your capital structure.– Build further resilience into the business model, balancing the expectations of partner stakeholders today with the longer term needs of the partnership.	<p>Making change stick</p> <p>Once you’ve identified the improvement actions, how can you get them to stick; give you pay-back; become permanent and provide a platform for further improvement?</p> <p>We can help</p> <p>Working with KPMG Boxwood we can support you through the transformation journey by:</p> <ul style="list-style-type: none">– Helping you design, govern and embed new business / operating models.– Working with your leadership team and functional management to deploy the necessary capabilities that leverage the organisation’s strengths, whilst mitigating any gaps.– The overall goal is to make the improvement happen at pace and make those changes stick.

Contacts



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Paul is Head of Professional Practice Services within KPMG and has more than 30 years of experience advising professional service firms and their owners. He became a partner in 1999 and has advised many businesses, their founders, shareholders and partners on achieving their long term strategic aims of growth and increased profitability. He has held a number of operational/management roles within KPMG, but more recently is focused on supporting clients in their strategic, operational and people related ambitions, goals and challenges.

Paul works closely with colleagues in supporting client needs and facilitating specialist support from the wider KPMG team. This covers key areas such as:

- Sales and business development.
- Operational efficiency and KPIs/Financial Dashboards.
- IT systems and data security.
- Governance and the regulatory environment, including guidance on internal audit.
- Financing strategies including working capital advice.
- M&A activities.
- Employment consulting and pensions.
- Automation and Technology Solutions.

His clients include a broad range of businesses in both legal and non-legal services as well as specialist sectors such as real estate, retail, manufacturing, engineering and the charitable sector.



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David leads KPMG's Operational Performance team for Professional Practice Solutions as well as the Restructuring practice in the South West and South Wales. He is responsible for providing a range of strategic, operational and financial solutions to businesses who are under increasing pressure to deliver better results for their internal and external stakeholders.

David's experience encompasses working alongside businesses and their advisors; from identifying opportunities for strategic, operational and financial change through to 'hands-on' execution. The consistent aim is to achieve permanent measureable results and deliver enhanced value to stakeholders.

David's previous experience includes working with a number of legal, consulting and contracting firms on:

- Creating and using robust management information and KPIs to identify areas of underperformance and targeted areas for improvement.
- Creating actions to reduce lock-up reduction and improve profit (at a business unit and organisation level).
- Identifying areas of cost reduction following mergers.
- Assisting on robust financial forecasting and 'sizing' opportunities. This includes considering the appropriate capital structure and funding options to fund the strategic plans of the organisation.
- Supporting management teams effect change; either via a formal transformation mandate or in a coaching/sounding board capacity.

David understands law firms at both an organisational and a 'two-way' client level. Through his Restructuring role, he routinely uses legal services having worked with a wide range of firms; predominantly their finance, corporate, litigation, employment and restructuring teams.

Throughout his career at KPMG, David has shared his independent and impartial views as a trusted advisor to management and a 'honest broker' when facilitating difficult discussions between stakeholders.

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