



# Creating Value Within Portfolio Companies

## WHY JABIAN — AND WHY NOW?

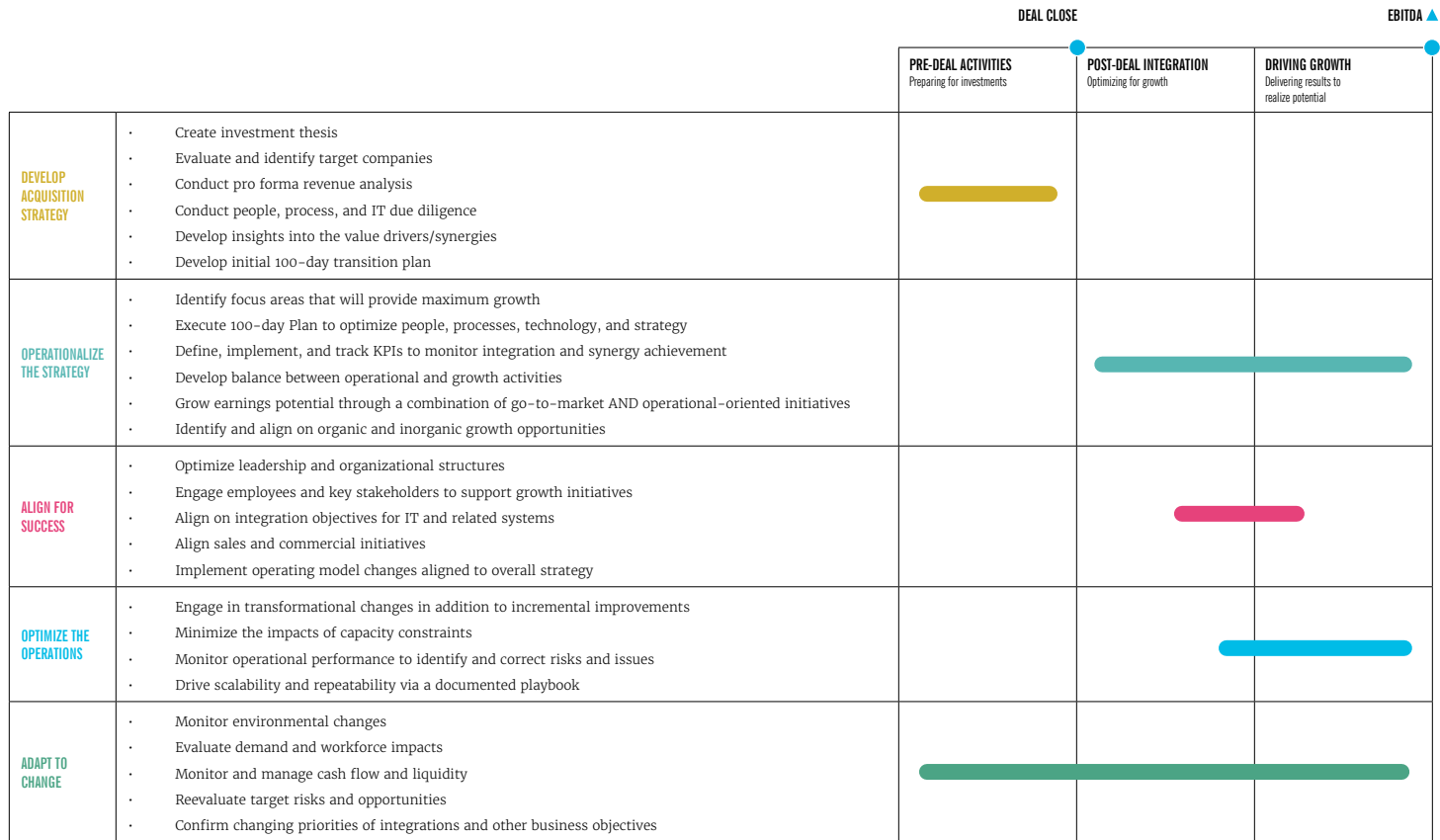
In the wake of recent market disruption, access to capital is more competitive, valuations are fluctuating, and risk mitigation strategies are increasingly important. The need to create value within portfolio companies is essential. Current industry conditions require creating returns through aggressive strategic growth plans to improve top-line growth, as well as diligent operational improvements to grow the bottom line.

Partnering with Jabian as an experienced advisor enables private equity firms to maximize investment returns. Jabian offers strategic advisory experience to ensure investments are performing at the highest level. Our senior-level consultants provide insights for identifying the most valuable opportunities, creating aggressive and realistic growth plans, and optimizing returns through operational excellence.



# THE STRATEGY

We leverage our proven frameworks and tools across the private equity life cycle in order to help you confidently strategize, plan, and realize your investment thesis.



## HOW JABIAN HELPS SOLVE COMMON CHALLENGES

Jabian is able to assist with creating value and maximizing investment returns through five key value drivers.

	KEY CHALLENGE	HOW JABIAN CAN HELP
<b>DEVELOP ACQUISITION STRATEGY</b>	The organization wants to ensure an effective and efficient due diligence process is conducted to confirm people, technology, and operations have the potential to reach investment objectives	<ul style="list-style-type: none"> <li>Leverage our proprietary methodology for assessing current and future state technology and operations aligned to the investment thesis</li> <li>Develop culture, talent, and people strategies to position the company for success</li> <li>Get a head start on the roadmap and budgeting process for future technology and operations investments to include in deal shaping</li> </ul>
<b>OPERATIONALIZE THE STRATEGY</b>	The organization is having difficulty identifying, prioritizing, and executing initiatives	<ul style="list-style-type: none"> <li>Identify the key value drivers that demonstrate competitive differentiation and competency in order to maximize investment value</li> <li>Examine and realign the business model to meet growth targets</li> <li>Develop the plan of action to ensure proper focus and accountability among all of the competing priorities</li> </ul>
<b>ALIGN FOR SUCCESS</b>	The organization is having difficulty adjusting to a new strategic direction	<ul style="list-style-type: none"> <li>Identify and help build the structures and processes needed to scale the business profitably</li> <li>Define the optimal leadership structures, organizational structures, and role-to-personnel fit to drive maximum performance outcomes</li> <li>Provide best practices to engage employees in upcoming changes to support business objectives</li> </ul>
<b>OPTIMIZE THE OPERATIONS</b>	The business operations need additional focus to achieve bottom-line targets	<ul style="list-style-type: none"> <li>Identify opportunities to reduce capacity constraints and increase speed to market</li> <li>Ensure focus on creating synergies through integrating acquisitions' technology, capabilities, and cultures for optimal growth and performance</li> <li>Provide recommendations on the correct tracking systems to monitor operational performance, identify risks, and correct issues</li> </ul>
<b>ADAPT TO CHANGE</b>	Due to a major market disruption, the organization is having difficulty prioritizing and efficiently adapting to current conditions	<ul style="list-style-type: none"> <li>Facilitate workshops to brainstorm strategies to take advantage of various scenarios, plan for appropriate risk mitigations, and develop implementation plans for the most likely scenarios</li> <li>Assist with setting up the appropriate governance structures to manage intake, approve projects, and manage resources</li> <li>Identify gaps, critical areas of concern, and cost-savings opportunities</li> <li>Revise go-to-market strategy based on cash flow, new priorities, and workforce allocation</li> </ul>



HIGH TECH | PE PORTFOLIO COMPANY

## Process Improvement & Standardization

Identified, analyzed, and improved strategic business processes to improve sales, reduce cost, and enable growth at scale, putting the business on a path to realize over \$2M in cost savings from inventory adjustments and freight improvements

- Categorized, assessed, and prioritized initiatives from annual strategic plan to focus on value realization
- Developed a playbook to teach business transformation methods, tools, and templates
- Leveraged playbook to implement bar-code scanning platform across multiple brands and warehouses
- Identified root causes of shipping costs and enabled savings by implementing improvements to shipping policy, rate, and calculation processes

### DELIVERABLES

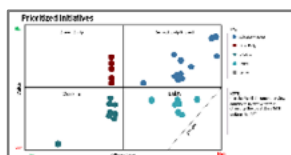
#### Shipping Charge Analysis



#### Business Process Transformation Playbook



#### Prioritized Initiative Roadmap



FINANCIAL SERVICES | PE PORTFOLIO COMPANY

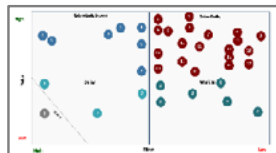
## Strategic Planning

Defined a strategy and plan to grow revenue over three years, attaining roughly 4% growth in base business

- Facilitated a three-day workshop with 20 management and equity owner leaders to define strategic priorities and develop a prioritized implementation plan
- Conducted interviews and analyzed data with 15 stakeholders to identify key opportunities and challenges
- Coached engineering, sales, operations, and other business area leaders to effectively lead and present during the workshop
- Provided simple, effective tools to further scope, define initiatives, and track progress against the plan

### DELIVERABLES

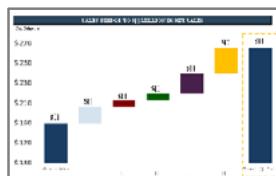
#### Prioritized Initiatives



#### Competitive Landscape



#### Strategy Overview



HEALTHCARE | PE PORTFOLIO COMPANY

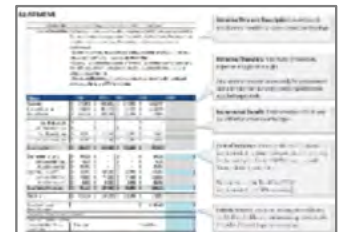
## Business Process Assessment & Opportunity Prioritization

Defined the strategic vision for a telemedicine company to drive \$12 million incremental run-rate revenue and improve EBITDA from 11% to 17% by identifying and executing initiatives that transform it into a technology-enabled company and enhance its BD and marketing operations

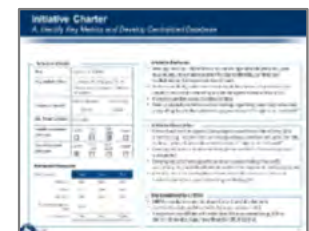
- Documented 48 business scenarios across six business capabilities
- Identified new processes to include in updated process flows
- Documented 11 process improvement and nine quick win opportunities
- Developed charters and business case estimates for 10 initiatives, including cost, benefit, timing, P&L impact, and valuation impact

### DELIVERABLES

#### Business Case Summary



#### Initiative Charter







RETAIL | PE PORTFOLIO COMPANY

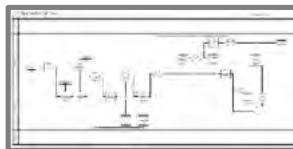
## Business Process Mapping & Improvement Roadmap

Identified and advised on multiple pain points, mapping them to future state quick wins and long-term process change, estimated to drive a cost savings of 5–30%, to better organize and streamline returns management operations

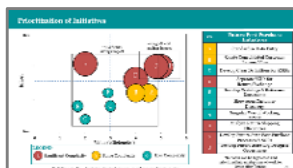
- Provided insight and visibility to key challenges in the reverse-logistics process and developed actionable recommendations to improve customer experience and company performance
- Worked with key stakeholders and SMEs to produce 35 current state process maps and identify over 700 individual process steps
- Developed 250 business scenario touch points to enable the client to identify process handoffs

### DELIVERABLES

#### Business Process Map



#### Prioritization of Initiatives



HEALTHCARE | PE PORTFOLIO COMPANY

## Integration Program, Project, & Change Management

Engaged 50+ stakeholders across five business units and 100+ functions to create baseline standards and activities for a planned acquisition to double the client's revenue from \$1B to \$2B

- Developed integration structure, roles, and responsibilities to drive ownership and execution of M&A tasks
- Created templates and tools to document and measure activity for successful integration and value capture
- Led program, functional, culture, and change management efforts to ensure future state alignment and adoption of operating model to successfully integrate and scale

### DELIVERABLES

#### Program Governance Model



#### Integration Tools & Templates



LOGISTICS | PE PORTFOLIO COMPANY

## Integration Discovery & Scoping

Conducted an integration strategy and planning to support the “divest or invest” decision by the COO for a wholly owned subsidiary

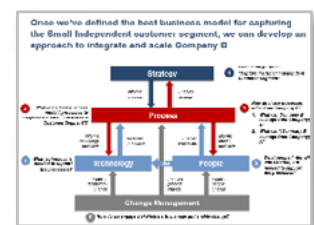
- Leveraged Jabian's Business Process Analysis methodology to analyze the impacts of integrating a client's newly acquired business
- Conducted working sessions with key stakeholders to develop a Business Process Landscape for the new business, identifying business processes impacted by the integration
- Identified open strategic decisions needed to determine the best future state business model
- Developed business scenarios and high-level requirements to describe desired business functions

### DELIVERABLES

#### Post-Integration BPL



#### Company Differentiation Model



# CASE STUDY

## THE CLIENT

Client is a private equity firm that typically partners and invests with high-growth companies generating ~\$5M to \$25M of EBITDA. This client sought to acquire a specialized healthcare provider that expected to triple revenue and EBITDA over a five-year time horizon.

## THE CHALLENGE

The client wanted to better understand if the healthcare provider's operations and supporting technology landscape would efficiently and effectively scale with expected growth. Specifically, Jabian was engaged to:

- Identify operational and IT gaps that could impact the deal strategy and goals
- Characterize gaps relative to the goal of 3x growth over five years
- Develop a roadmap to address gap/risk areas, both today and as the healthcare company scales

# Jabian Uncovers Key Risks and Mitigations Impacting a Significant Acquisition

## THE STRATEGY

Jabian completed a technical and operations assessment of the healthcare provider, leveraging Jabian's Operations and IT Assessment Framework:

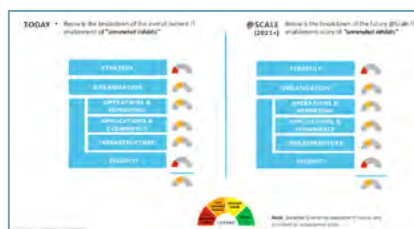
1. Understand and contextualize key factors to grow the business as well as operations and IT investments to support growth
2. Interview key leaders to understand current operations and technology landscape and associated gaps
3. Create an executive-level view of the healthcare provider's operations and technology landscape
4. Identify key technology risk, compliance, and stability gaps that may impact the acquisition strategy and goals
5. Recommend operational and technology improvements to enable the healthcare company's planned growth
6. Develop an improvement roadmap to prioritize opportunities, aligning investments with growth goals to address risks

## THE RESULTS

As a result of our efforts, organizational, operational, and IT scalability risks were uncovered and quantified. Our client gained a deep understanding of the healthcare company's operational gaps, technology limitations, and leadership capabilities. Ultimately, our client opted not to pursue the acquisition due to unacceptable levels of risk and conserved ~\$50M in capital for alternative investment.

Jabian remains a partner of choice for conducting similar due diligence activities for this private equity client.

### ASSESSMENT FRAMEWORK



### IMPROVEMENT ROADMAP



## THE CLIENT

## THE CHALLENGE

Board of private equity-held companies recently executed a leadership change driven by the need to improve investment value through top- and bottom-line growth. With the company's traditional business practices beginning to yield unacceptable results, the need existed to modernize go-to-market and operational strategies and processes to enable growth and eventual profitable scaling.

## THE STRATEGY

1. Institute new mission, vision, value proposition, and operating principles to establish a sound foundation
2. Redesign operating model and introduce best practice processes and measurement systems to drive scale and increase margins
3. Build go-to-market playbook for each business line that coordinates target market segments, product offerings, lead generation, business development, personnel, and compensation strategies in support of accelerated growth

## THE RESULTS

This plan was collaboratively built with the active involvement of senior management, which allowed the company to immediately gain the private equity board's support, build organizational buy-in, and begin implementation on priority initiatives. As a result of implementing Jabian's recommendations, the company was able to realize double-digit profitability growth in the capital advance business line. The company also realized immediate efficiency gains in critical pre-sales processes, improved its customer satisfaction rating, expanded its sales pipeline, and freed up capacity to focus more intensely on strategic growth.

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# CASE STUDY

## THE CLIENT

Client is a PE-backed large provider of healthcare related technology solutions primarily serving government entities and certain large commercial enterprises.

## THE CHALLENGE

The company was embarking on its largest acquisition ever as it sought to acquire a competitor with mostly complementary products and customer bases. While significant effort was invested in deal due diligence and discovery, little upfront effort was directed into integration planning. Given the highly sensitive nature of its markets and the unique operating cultures of the two companies, it was critical that a comprehensive and thoughtful integration plan was developed and executed to ensure value creation in line with the original investment thesis.

# Jabian Helps a Technology Company Achieve Growth through Successful Acquisition Integration

## THE STRATEGY

Jabian organized and conducted four major workstreams to improve the company's ability to meet the projections of the investment thesis:

1. Operationalized an integration team and advisory committee to facilitate the development and adoption of strategic integration goals, KPIs, priorities, quick wins, guiding principles, and risks
2. Leveraged acquired capabilities to drive revenue growth for the portfolio through cross-selling, diversifying the product base, and entering into higher growth markets
3. Designed an integrated operating model that harmonized the two companies into one operating entity and developed the new leadership and organizational structure
4. Built and activated an implementation plan that included comprehensive internal and external communication strategies, functional area work plans, synergy capture, and project management structure

## THE RESULTS

The integration plan successfully enabled the newly combined organization to realize an orderly and accelerated integration. The company was able to retain its key customers and employees, achieve its deal-related financial targets, ensure focus on run-the-business priorities, merge its disparate cultures, and capitalize on a framework for continuing integration activities.

### OPERATING MODEL



### STRATEGIC KPIs



### GUIDING PRINCIPLES







## JABIAN IS HERE TO HELP

Jabian provides a complete range of services to support private equity firms and their portfolio companies. We leverage our proven methodologies to minimize risk and maximize your financial return on investment throughout all stages of the private equity life cycle. Our consultants bring extensive knowledge and expertise in the private equity arena, which provides access to a network of thought leaders you can leverage for your most important investment decisions.

If you are interested in learning more, contact us at [insights@jabian.com](mailto:insights@jabian.com).

## **ABOUT JABIAN**

Jabian Consulting is a strategic management and technology consulting firm with an integrated approach to creating and implementing strategies, enhancing business processes, developing human capital, and better aligning technology — ultimately helping clients become more competitive and profitable. Jabian blends functional expertise, industry knowledge, and senior experience to think strategically and act practically. It's a Strategy That Works®.

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