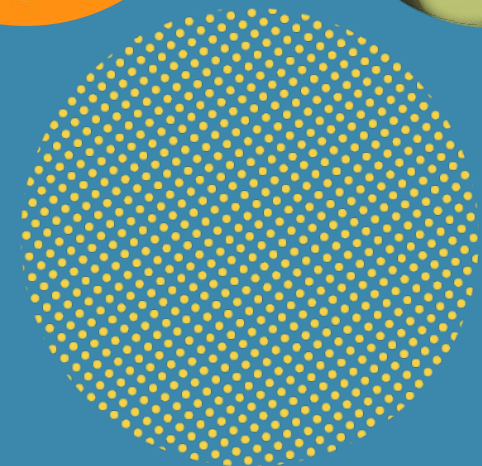


# Strategic Planning:

*Drive Growth, Capture Opportunities,  
and Mitigate Risks*

UHY Staffing Webinar Series  
July 18, 2023

Dan Bruce, Principal



## Our UHY Affiliation

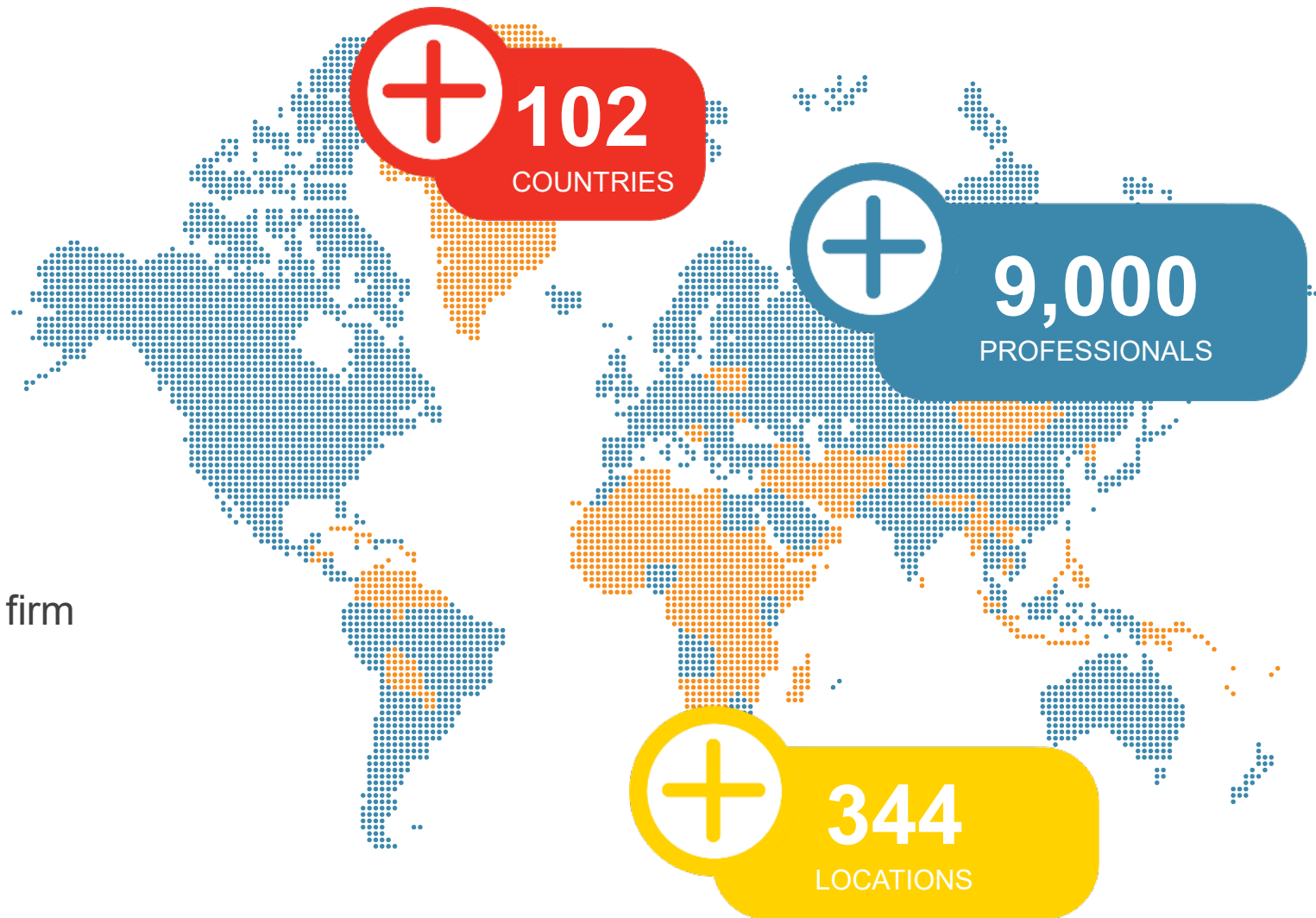
**UHY Consulting** is a management consulting firm that inspires clients to imagine and realize a company with unlimited potential, leaving lasting results that strengthen an organization and its people.

### Affiliate of UHY LLP

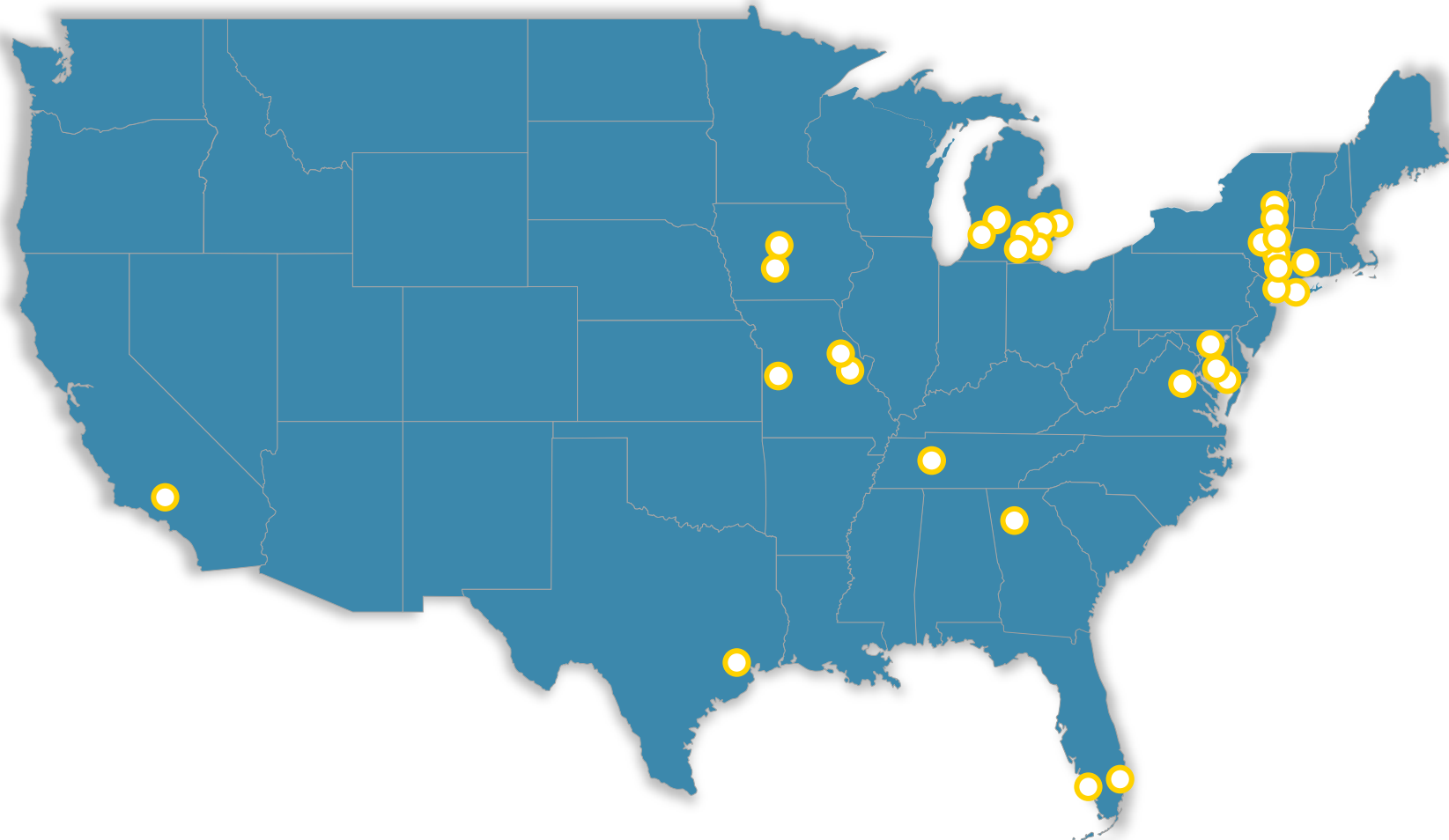
A Top 30 national professional services firm with over 30 locations across the U.S.

### Member of UHY International

Size and strength of a Top 20 Accounting and Consulting Network



# UHY U.S. Office Locations



with staff members located across the country

**CALIFORNIA**  
Orange County

**CONNECTICUT**  
Farmington

**FLORIDA**  
Miami  
Naples

**GEORGIA**  
Atlanta

**IOWA**  
Ames  
Des Moines

**MARYLAND**  
Columbia  
Salisbury  
Towson

**MICHIGAN**  
Ann Arbor  
Detroit  
Dowagiac  
Farmington Hills  
Kalamazoo  
Port Huron  
Sterling Heights

**MISSOURI**  
Clayton  
Kansas City  
(Briarcliff)  
Kansas City  
(Plaza)  
St. Louis

**NEW YORK**  
Albany  
Catskill  
Hudson  
Kingston  
Long Island  
New York  
Rye Brook  
Saratoga Springs

**TENNESSEE**  
Nashville

**TEXAS**  
Houston

**VIRGINIA**  
McLean

# UHY Consulting Capabilities and Solutions



## Business & Strategy

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Strategic Vision  
 Strategy Development  
 Organizational Design  
 Mergers & Acquisitions  
 Turnaround & Restructuring



## Organization & Operations

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Project Management  
 Change Management  
 Performance Management  
 Supply Chain Management  
 Operational Excellence



## Finance Transformation

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Finance Strategy  
 Shared Services  
 Treasury Operations  
 Finance Automation  




## Technology Innovation

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Digital Transformation  
 Digital Strategy  
 Technology Sourcing  
 Technology Automation  
 AI & Machine Learning



## Cybersecurity & Risk

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Forensics & Response (DFIR)  
 Privacy & PCI Compliance  
 Vulnerability & Pen Tests  
 Risk Assessments  
 ESG



## Resource Solutions

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Interim Staff Support  
 Project Consulting  
 Permanent Placement



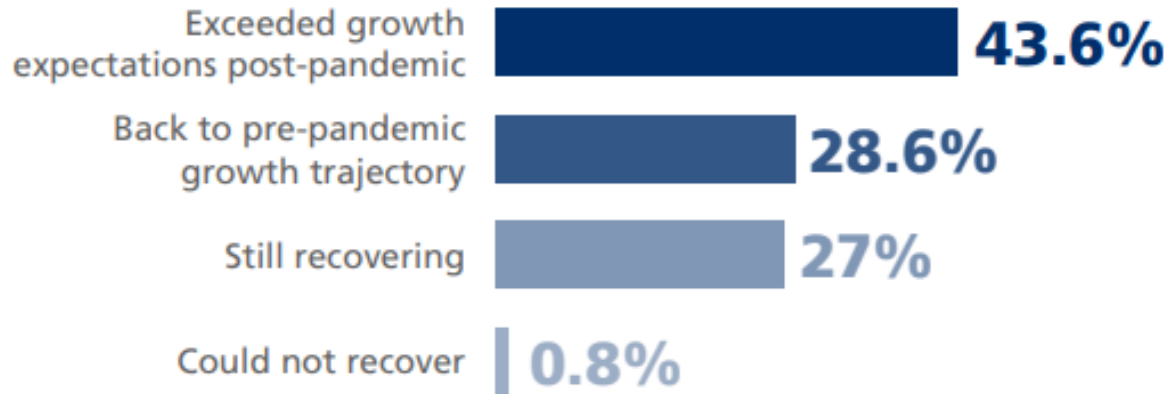
**Staffing firms that  
prioritize frequent  
strategic planning:**



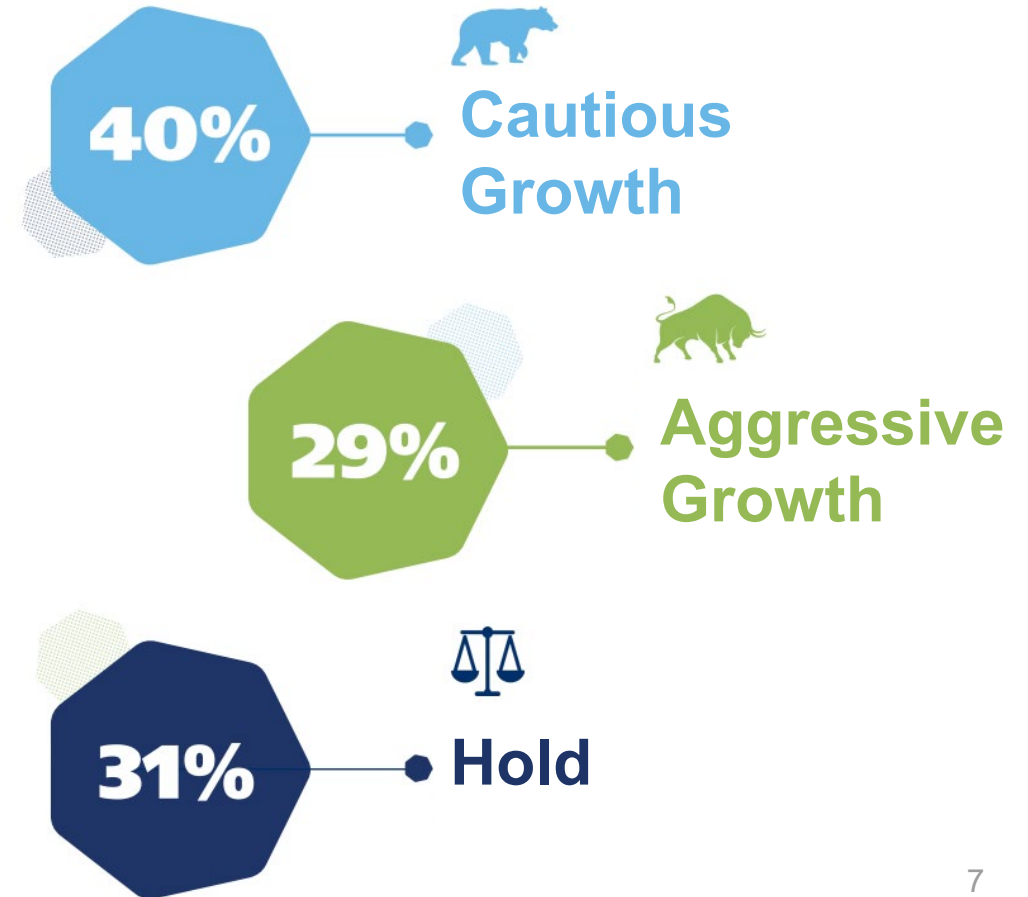
Majority of companies exceeded post pandemic growth expectations

Majority of companies have a cautious outlook on future growth

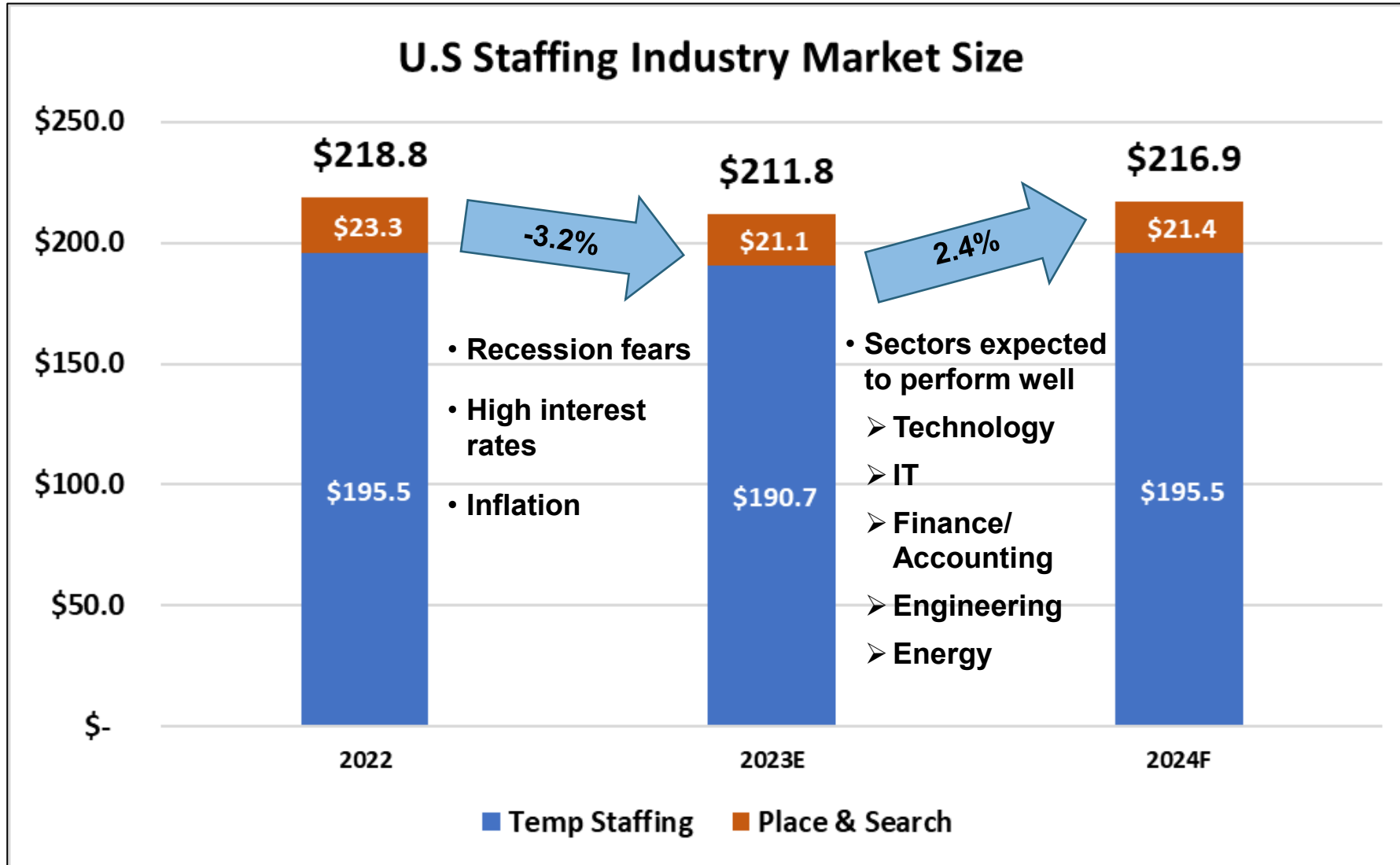
## Post-Pandemic Growth



## Growth Outlook



## Industry growth projected in 2024





## Your staffing firm is becoming leaner, and your leadership team's scope of responsibilities are increasing

- Makes it difficult to prioritize strategy development
- Most staffing firms do not have dedicated strategy departments

## Strategic decision-making process is challenging and creates feelings of stress, anxiety, and uncertainty

### Example Strategic Decisions

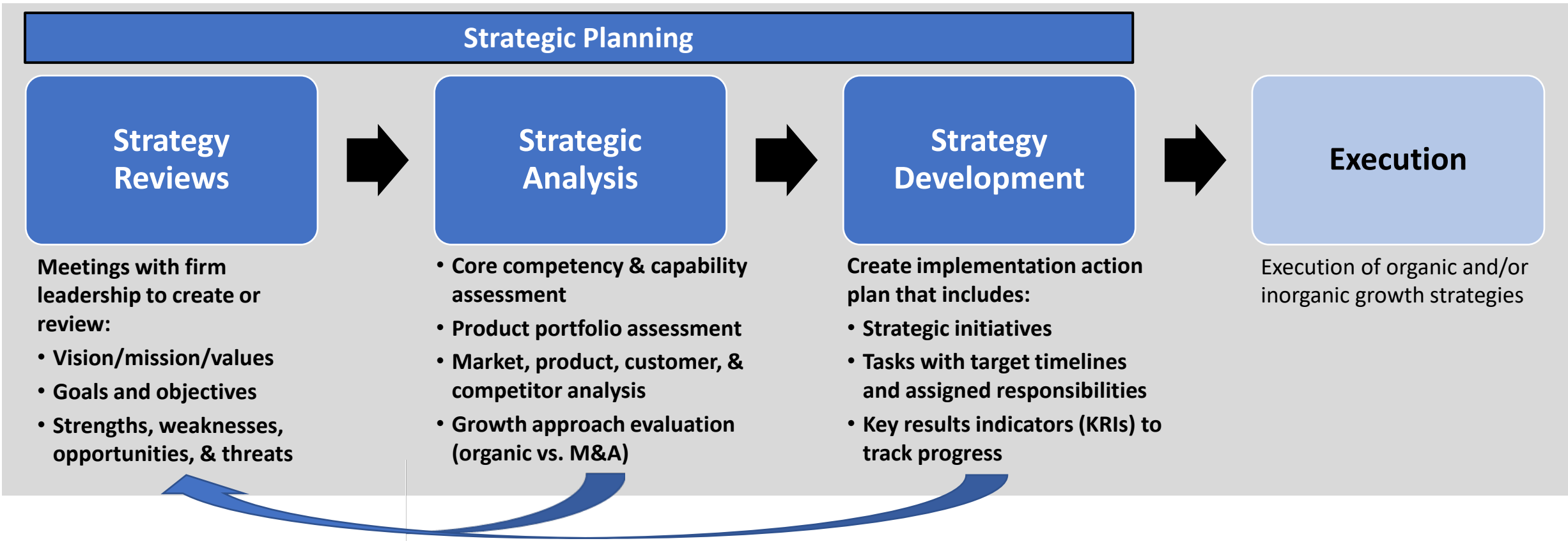
- Entering a new market
- Expanding a product line
- Acquiring a competitor
- Navigating disruptive trends
- Redesigning a process
- Implementing a new technology

### *What Keeps You Up At Night?*

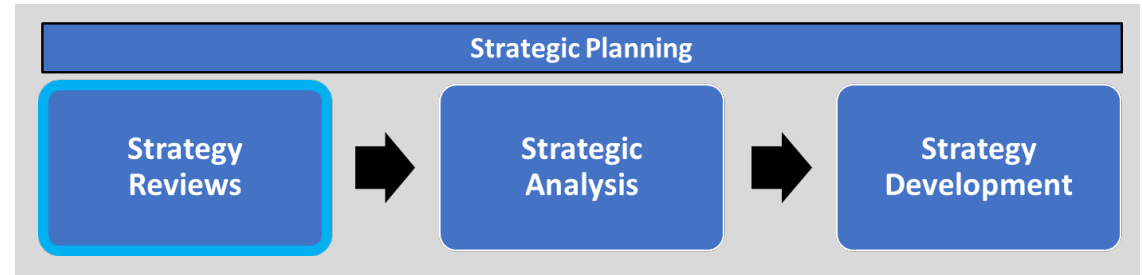


*Harvard Business Review Study found 85% of executive leadership teams spend less than one hour per month discussing strategy and 50% spend no time at all*

Strategic planning is an on-going process not a one-time event → *need to be prepared to adjust*



## Meeting to establish or review progress of strategic plan

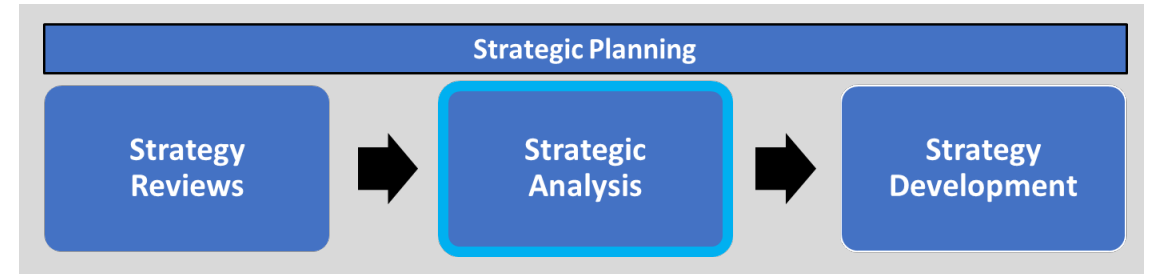


Key Activities	Purpose of Activity
<b>Vision/Mission/Values</b>	Align internal & external stakeholders on what you want to achieve and how you plan to achieve it
<b>Competitive Position</b>	Assess strengths & weaknesses within your firm and opportunities & threats external to your firm
<b>Strategic Objectives</b>	Set objectives that need to be accomplished to achieve your firm's vision
<b>Critical Processes</b>	Processes or initiatives needed to achieve objectives
<b>Performance Measures</b>	Key Results Indicators (KRIs) to track progress towards objectives
<b>Strategic Analysis</b>	Market research and current state data analysis to support strategic planning "kickoff"

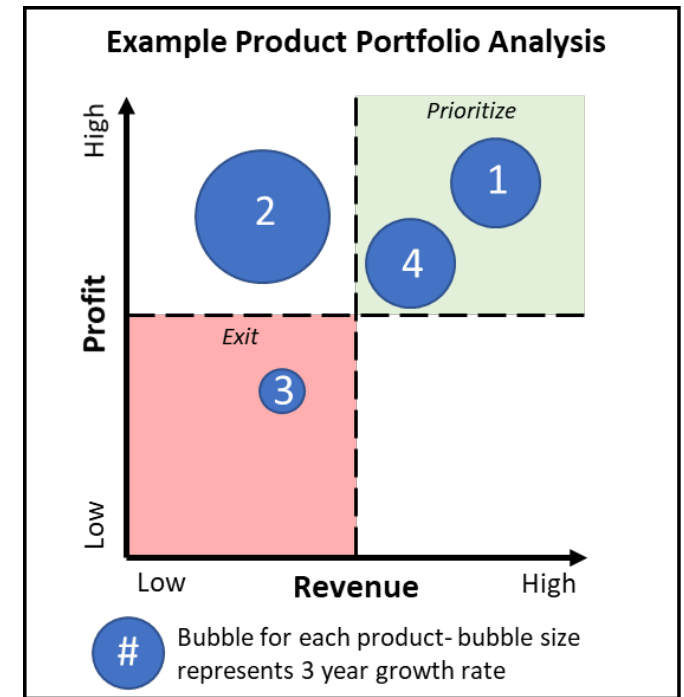
### Example Strategy Articulation Map (SAM)



Research and data analysis needed to determine the best strategic approach



Key Activities	Purpose of Activity
<b>Market/Product Analysis</b>	Analyze market/product size, growth, and trends
<b>Customer Analysis</b>	Define current & future customer needs
<b>Competitor Analysis</b>	Determine capabilities, products offered, markets served
<b>Product Portfolio Analysis</b>	Assess product set profitability and demand
<b>Core Competency &amp; Capability Assessment</b>	Profile capabilities and determine capability gaps
<b>Growth Approach Evaluation (Organic vs. M&amp;A)</b>	Evaluate appropriate growth approach that increases growth, limits investment, and decreases time to market



**Create implementation action plan for the strategic approach identified in the strategic analysis phase**



Strategies	Key Activities
<b>Market</b>	<ul style="list-style-type: none"> <li>• Develop strategic initiatives</li> </ul>
<b>Product</b>	<ul style="list-style-type: none"> <li>• Identify key tasks with target completion dates</li> <li>• Assign responsibility to tasks</li> </ul>
<b>Operations</b>	<ul style="list-style-type: none"> <li>• Create key results indicators (KRIs) to track progress of strategic initiatives and tasks</li> </ul>
<b>M&amp;A/Divestiture</b>	<ul style="list-style-type: none"> <li>• Outline key assumptions and risks critical to successful execution of the plan</li> </ul>

*Develop a Roadmap to Execute Your Strategy with Confidence & Pride*



- **Creates proactive strategies rather than reactive**
  - Seize growth opportunities, increase profitability, create competitive advantages, react quicker to disruptive trends
- **Incorporates data into the strategic decision-making process**
  - Avoids costs and challenges that can result from poor, non-data driven strategic decisions
- **Prioritizes efforts**
- **Allocates resources effectively**
- **Creates a forward focused roadmap that aligns stakeholders at all levels of the firm**
  - Increases sense of responsibility and accountability throughout the organization
  - *Harvard Business Review study revealed on average 95% of a company's employees do not understand the company's strategy*

**Strategic plan is ultimately the decision of the leadership team, but the strategic planning process may include one or more of the participant groups below**

## **Leadership team**

- Typically senior management team

## **Other key stakeholders**

- Staff responsible for long term planning
- Leaders of strategic initiatives

## **Outside advisors**

- Drive organization and efficiency to the process
- Research and data analysis capabilities
- Bring outside perspective, different ideas

## **Board of Director members**

- Typically approves strategic plan
- Holds management responsible for execution

**Incorporating diverse perspectives into the strategic planning process helps to remove bias**

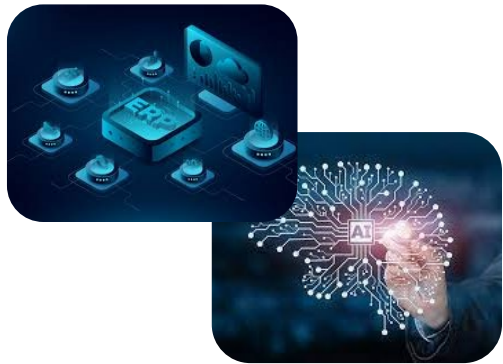
<b>Bias Type</b>	<b>Description</b>
<b>Recency</b>	Select option fresh in-mind
<b>Inertia</b>	Select option that allows you to think/act in familiar ways
<b>Confirmation</b>	Only use information/data in decision making process that supports your viewpoint

# Example Case Study



Opportunities for growth and potential for disruption kick off strategic planning

## Investments in Technology & Automation



## Work From Home / Hybrid Workforce



## Reshoring



## Recession Concerns



# Step 1 – Strategy Review (SWOT Analysis)

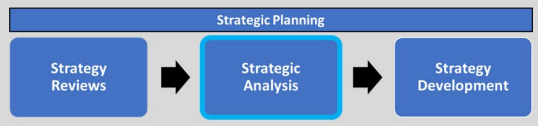


<b>Internal to Company</b>	<b>Strengths</b> – <i>What does FIRM do well?</i>	<b>Weaknesses</b> – <i>Where can FIRM improve?</i>
	<b>External to Company</b>	<b>Opportunities</b> – <i>What are favorable external factors that can give FIRM an advantage?</i>



## Strategy Articulation Map (SAM)





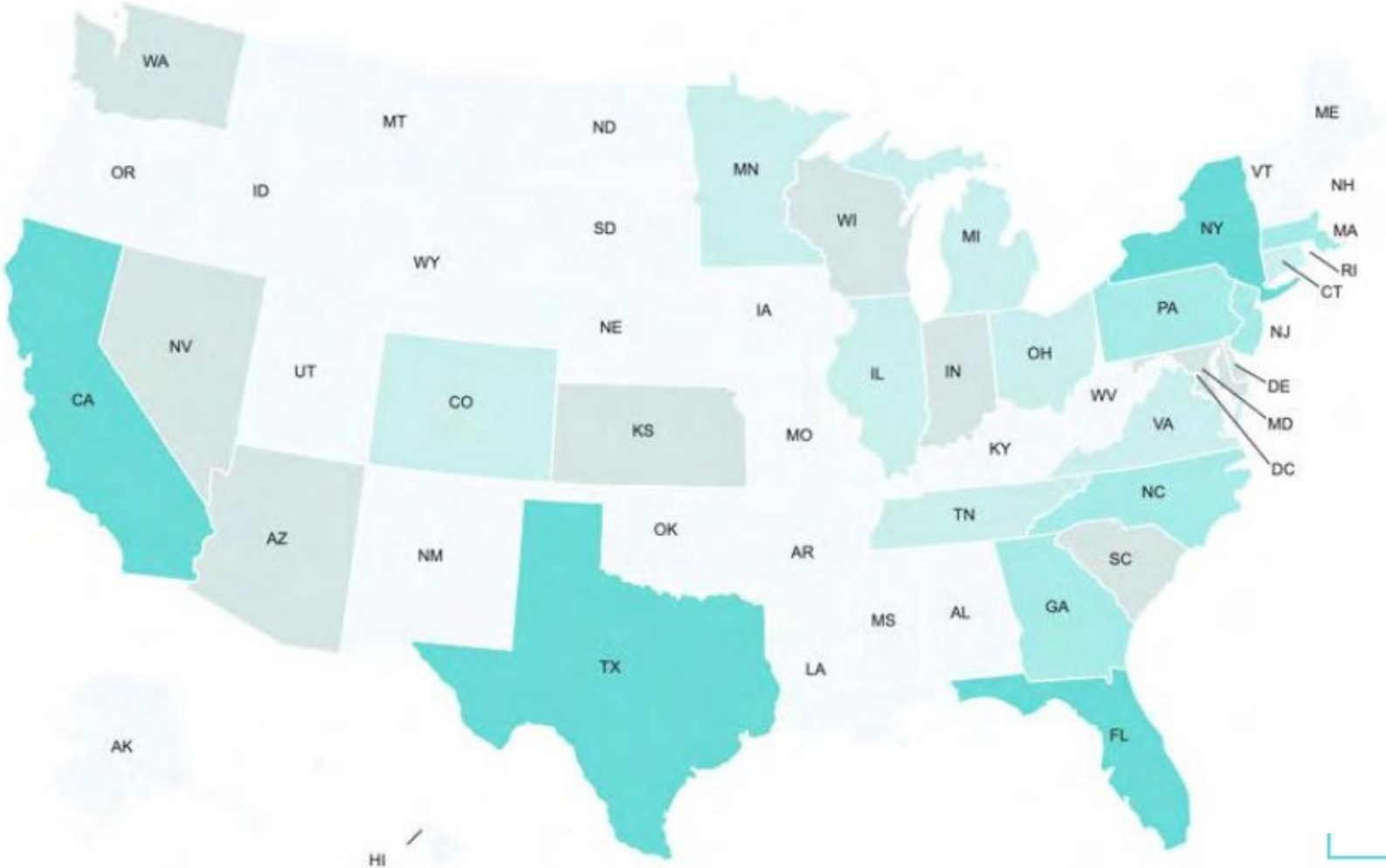
## Potential best states for contract placements

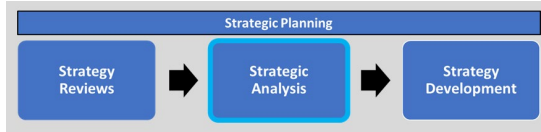
Workers onboarded

Most onboards



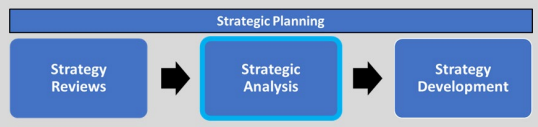
Least onboards



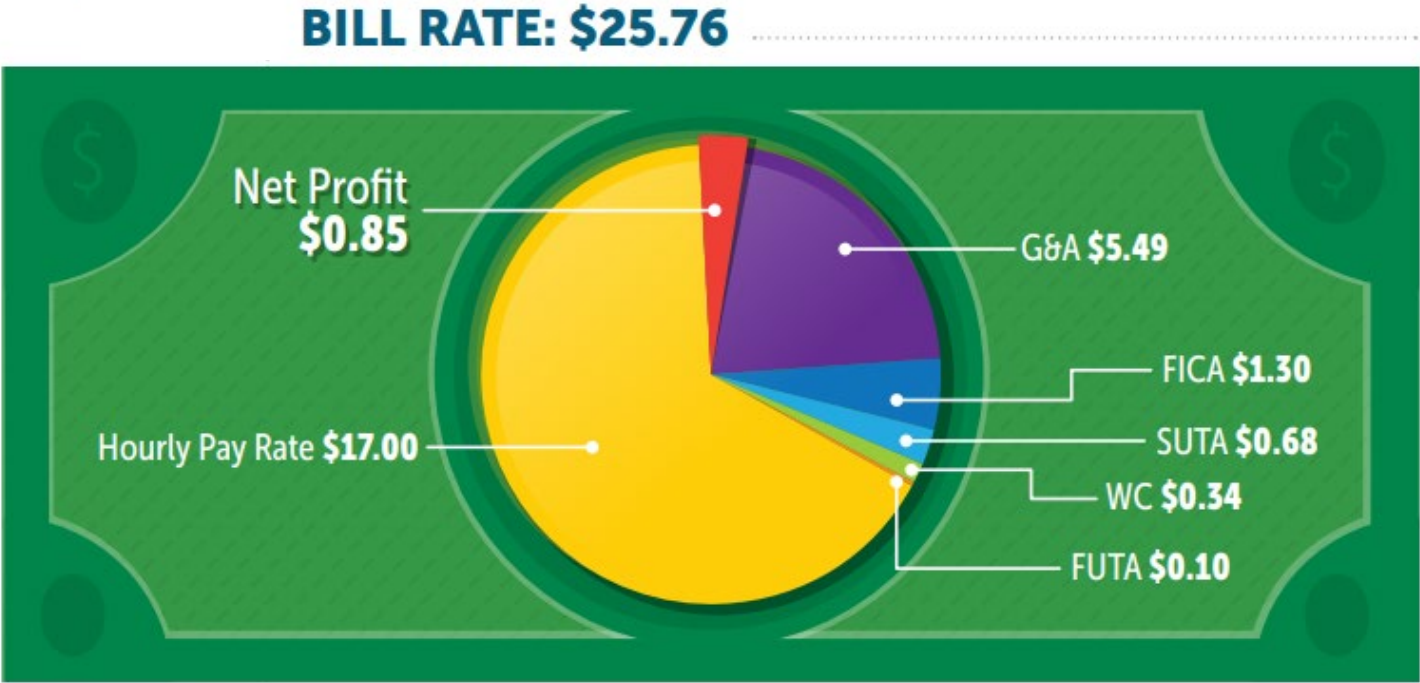


## Potential complimentary service categories for product expansion

<b>HR Consulting</b> Advising clients on talent management strategies but also other important strategic issues impacting the HR department	<b>Outplacement/Career Transition</b> The largest staffing firms have traditionally dominated the counter-cyclical outplacement space including market leader LHH, part of Adecco	<b>Employee Engagement &amp; Retention</b> Holistic platforms are emerging that can be used as the central hub for all candidate engagement activities including chatbots and texting/email technology
<b>Online Job Advertising</b> The world's fifth largest staffing firm, Recruit, also owns the largest online job advertising firm, Indeed	<b>Staffing</b> The core provision of temporary staffing, direct hire and executive search	<b>Outsourcing</b> The provision of contractors for project work in an outsourcing relationship rather than a staffing one is prevalent, particularly in the IT staffing sector
<b>Payrolling</b> Some staffing firms will payroll temporary workers that have been directly sourced by the client, sometimes in partnership with a third-party payroll provider	<b>Upskilling &amp; Reskilling</b> Staffing firms are recognizing that, if they can't source talent, they need to develop it themselves on behalf of their clients	<b>Workforce Solutions</b> MSP and RPO are well-established parts of the service portfolio of larger staffing firms



Identify ways to increase bill rate and reduce G&A costs to improve net profit





## Build strategic action plan with owners and due dates

Prioritized Strategic Objectives	Owner	Deadline	Action Plan
1)			<ul style="list-style-type: none"><li>Action 1</li><li>Action 2</li></ul>
2)			
3)			
<b>To Be Drafted During Strategy Development</b>			<b>To Be Completed by Owner</b>

A young woman with long brown hair and black-rimmed glasses is sitting at a yellow desk. She is wearing a white sleeveless top and is focused on writing in a spiral notebook with a black pen. The background is a bright yellow wall with a printer and a laptop on a desk behind her. The text 'Non-Staffing Case Study Example' is overlaid in white on the right side of the image.

# Non-Staffing Case Study Example

The motor vehicle was a disruptive change that quickly transformed the personal transportation industry and its surrounding infrastructure

Year 1900: One Motor Vehicle



Year 1913: One Horse & Carriage



*Additional Changes*

Change	1900	1913
<b>Mode of Transport</b>	Horse & Buggy	Motor Vehicle
<b>Fuel Source</b>	Food/Water Troughs	Gasoline
<b>Road Type</b>	Dirt	Pavement
<b>Primary Vehicle Materials</b>	Wood	Metal, Rubber, Glass
<b>Vehicle Lighting</b>	Candles	Electric Headlights

- **Sales highly concentrated in one industry and one customer**
- **Limited sales growth over past two years**
- **Electrification disruptive trend likely to impact the business in the next 3 – 5 years**
- **No alignment on company wide strategy**

**Company exceeded revenue and profitability goals set in 2022 strategic planning process by executing on opportunities identified and prioritized in the strategic analysis**

## **Strategic planning and analysis**

- Aligned ownership and management
- Identified opportunities to pursue with current customers
- Developed value proposition and plan to approach customer opportunities
- Set goals for team members to achieve with measurable metrics



**Year over year sales and EBIT increased 25%+**

# Action Items



**Five questions to discuss with your leadership team following today's presentation:**

- 1. Did your leadership team meet to complete a strategy review session over the past year?**
- 2. Do you have a vision that is up-to-date and accurately describes what your firm aspires to be?**
- 3. Do you have goals and objectives aligned with your vision?**
- 4. Do you have a strategic initiatives in place to accomplish your goals and objectives that are monitored by key results indicators?**
- 5. Are you missing out on opportunities to drive growth, capture opportunities, and mitigate risks?**

**Our experienced Business & Strategy Consulting team is ready to help advise your staffing firm through the strategic planning process**

**Please contact us with any questions**



**Dan Bruce**

**Principal | UHY Consulting**

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**Phone: (586) 840-3646**

