

Looking for Rapid ROI?

Focus on EBITDA With
Crowe Performance
Improvement Services



Demonstrated Success

The Crowe Horwath LLP Performance Improvement team helps clients achieve higher levels of performance and profitability by focusing on three core strategies: operational excellence, strategic sourcing, and merger and acquisition optimization. At Crowe, we have a record of driving significant results for clients in many industries, from automotive manufacturing to food and beverage, consumer durables, and plastics.

Our experienced specialists have expertise in a range of disciplines, tools, and methodologies to address performance challenges such as:

- Accountability and performance management
- Synergy realization
- Working capital optimization
- Cycle and lead-time reduction
- Efficiency and productivity improvement
- Gross margin and pricing optimization
- Customer and product segmentation
- Commercial market review
- ERP process optimization
- Operational restructuring and turnaround
- Inventory and materials management optimization
- Organizational change management
- Overall equipment effectiveness and downtime reduction
- SG&A business process optimization
- Procurement organization transformation
- Forecasting, planning, and scheduling optimization
- Strategic sourcing and category management
- Sales force effectiveness
- Supply chain optimization
- Total productive maintenance (TPM)
- Cost of quality optimization
- Capital allocation optimization
- Capacity and footprint optimization
- Lean and Six Sigma



Achieving Sustainable Operational Excellence

If your company's operations are not meeting performance expectations, it's time to look beyond process improvement to *profitability* improvement. The Crowe operational excellence team will identify the root causes of poor performance and then help your organization design and implement solutions to streamline processes, reduce waste, improve management effectiveness, enhance revenue, and deliver an improved cost structure.

We begin by accurately identifying the challenge and then apply solutions, tools, and methods designed to produce the desired financial impact. Beyond making recommendations, we employ a hands-on approach to create a foundation for measurable, sustainable improvements so that when our engagements conclude, our clients are experiencing the performance and profitability improvements that we mutually identified.

Our team uses the CHAMPS® solution, a proprietary balanced scorecard methodology that supports and helps maintain operational and financial improvements year after year. This solution goes beyond the traditional boundaries of the balanced scorecard by incorporating critical accountability and change management tools aimed at delivering sustainable results.

Representative Client Successes

Fortune 1000 Companies	Middle-Market Companies	Small Cap Businesses
<ul style="list-style-type: none">Automotive OEM: Improved cost structure in a parts facility by more than \$12MAutomotive tier-one supplier: Eliminated more than \$15M of cost from global operationsFurniture manufacturer: Improved productivity in flagship plant by \$4MGlobal packaging conglomerate: Reduced divisional on-hand inventory by 30 percent, while increasing service levels and improving efficiency in six facilities by 10 percentGlobal pharmaceutical manufacturer: Drove a marketable throughput increase of \$18M in a newly launched, capacity-constrained diagnostic product line	<ul style="list-style-type: none">Construction products company: Reduced inventory by 35 percent while increasing service levels by 10 percentPolymers manufacturer: Reduced lead time to customers by more than 50 percent with savings of \$4.6MNot-for-profit organization: Optimized its revenue cycle management process to increase cash position by \$3MTelecom provider: Completed shared services integration, which reduced cost structure by \$2.5MForging company: Increased OEE by 10 points, and reduced scrap by 15 percent	<ul style="list-style-type: none">MRO remanufacturer and distributor: Increased EBITDA by \$1.9MAppliance parts distributor: Improved overall operating income by \$1.75MPrinting and fulfillment business: Increased EBITDA by 30 percentFamily-owned marketing services company: Implemented a new production layout and implemented balanced scorecard processes to drive in excess of \$1M in margin improvementFood manufacturer: Doubled EBITDA for a \$15M food manufacturer through development of an improved pricing model with appropriate hurdle margins

Strategic Sourcing: The Smart Way to Maximize Savings

Crowe also finds opportunities to enhance margins and achieve sustainable benefits with strategic sourcing. By taking a broader, more strategic view of procurement, companies can often achieve a 2 to 5 percent improvement in profitability in ways that do not impair safety, quality, delivery, or customer service.

Crowe employs a detailed analytic approach that begins with an unbiased review of organizational spending, followed by a deeper discovery into key areas of organizational supply chain management. Our category

specialists work with procurement teams to develop the sourcing strategy, negotiate with suppliers, review, finalize, and implement contracts, and document savings.

The Crowe team also develops a complete picture of how a client's procured goods and services interface with internal and external processes, people, and systems. By taking this broader, more strategic view of procurement, we can help clients engage internal stakeholders and key suppliers as valued allies in the overall improvement of the business.

Crowe strategic sourcing projects are typically completed using an approach that minimizes the amount of time and resources required of the company's procurement team. Client companies often achieve up to 10 percent savings in raw material purchases as well as savings of up to 40 percent for indirect and selling, general, and administrative (SG&A) purchases.

Opportunities to Optimize and Save

The Crowe strategic sourcing solution is designed to identify a broad range of savings opportunities, which can be found in a variety of major expenditure categories.

Savings by Category		
Raw Materials	Direct, Indirect, and MRO	SG&A
(Typical savings: 2 to 10%) <ul style="list-style-type: none">• Metals (shapes, wire, plate, bar, and tube)• Agricultural goods (corn, wheat, and proteins)• Resins• Chemicals (industrial and food grade)• Lumber and wood products	(Typical savings: 10 to 40%) <ul style="list-style-type: none">• Raw materials and products bought through distribution (metal, agricultural goods and food ingredients, resins, chemicals, packaging, and lumber)• General MRO (fasteners, tools, safety and PPE, janitorial, and material handling)• Freight (parcel, LTL, bill pay, and audit as well as TL, flatbed, refrigeration, and fleet management)• Contract and temporary labor• Energy (natural gas, petroleum, and utilities)• Machined metal products• Metal coatings and finishes	(Typical savings: 10 to 40%) <ul style="list-style-type: none">• Administrative supplies and services• Telecom (services and bill pay audit)• Procurement cards• Facilities services• IT (products, services, and audit)• Professional services• Tax recovery

M&A Optimization

Crowe provides integrated services across the M&A value chain, including global delivery capability with higher overall connectivity and consistency. Our specialized expertise enables us to help you:

- Better-mitigate deal risks
- Maximize and capture deal synergies
- Manage people and culture transition
- Improve M&A execution

M&A optimization services include:

- Buy- and sell-side due diligence: operations, human resources, and commercial
- “Full value” opportunity and synergy assessment
- Integration and carve-out support
- M&A playbooks and training
- Merger repair and post-deal optimization

For each deal, our team delivers on three foundational objectives – as shown below.

Foundational Objectives





Our Commitment to Your Bottom Line

The Crowe Performance Improvement team is dedicated to delivering measurable financial results. Clients communicate that we are different because of:

- **Quality of our team.** Crowe team members bring years of industry experience to our client engagements. Less experienced staffers are not brought in to train at your expense.
- **Broad and deep expertise across a range of industries.** Our team is made up of proven performers for a host of industries as well as specialists in particular management tools and methods.
- **Return on investment.** Our approach and pricing are based on an agreed-upon return designed to produce measurable results.
- **Long-term commitment.** Our goal is to establish ongoing relationships, helping clients apply proven and continuing process improvement initiatives where most helpful.

Clients also frequently comment on our insight and ability to rapidly discern opportunities. This, coupled with the ability to quickly prioritize needed actions and rally client teams to achieve results, produces a unique “bias for action” that is the hallmark of a Crowe Performance Improvement project.

A Systematic Approach to Sustainable Improvement

As important as technical and industry expertise are, the Crowe Performance Improvement team is equally driven by its proven systematic approach.

- **We find the right levers.** The Crowe analytic approach identifies those areas where performance improvement can have financial impact so we can more precisely focus our efforts.
- **We help implement what we recommend.** Rather than merely presenting reports and recommendations, the Crowe team works side by side with you at each level of your business to achieve the improvements you want.
- **We stay with you until results are delivered.** We deliver an agreed-upon return. We establish a specific financial return at the outset of the assignment – and remain on the engagement until the results are achieved.¹
- **We work to make it last.** We go beyond merely training your people in tools and techniques, and strive to instill an attitude of continuous improvement so that the results can be sustained – and form the basis for further improvement.

Our goal is your satisfaction and success – our performance is measured by the return on investment that we can deliver. So let’s get started.

Crowe Services

Crowe delivers public accounting, consulting, and technology solutions around the globe. We combine deep industry expertise and specialized knowledge to provide clients with lasting value.

Audit

- External audits
 - Financial statement audits
 - Benefit plan audits
 - Specialized audits
 - Fund and portfolio audits
- Other services
 - Financial reporting
 - Accounting advisory

Tax

- State and local tax
- Federal tax
- International tax
- Private client services
- Compliance outsourcing and technology
- Benefit plan consulting and compliance

Advisory

- Transaction services
- Valuation services
- Performance Improvement
 - Operational excellence
 - Strategic sourcing
 - M&A optimization
- Conflict minerals compliance
- Forensic technology and investigation services
- IT advisory
- Restructuring advisory
- Bankruptcy and insolvency services

Risk

- Internal audit
- AML and sanctions
- Independent monitoring
- Third-party risk
- Enterprise risk management
- Regulatory and compliance
- Cybersecurity
- Organizational change

Performance

- Financial services sector
 - Information management
 - Credit portfolio management
 - Process improvement and technology assessment
- Manufacturing sector
 - Enterprise solutions
 - Performance improvement
- Government sector
- Enterprise solutions
 - Operational and IT advisory services
 - Financial advisory services
- Healthcare sector
 - Net revenue and reimbursement
 - Revenue cycle





Learn More

For more information on our performance improvement services, please contact:

Ron Melcher
Principal
+1 404 442 1639
ron.melcher@crowehorwath.com

Bart Kelly
Principal
+1 404 442 1627
bart.kelly@crowehorwath.com

About Us

Crowe Horwath LLP is one of the largest public accounting, consulting, and technology firms in the United States. Our dedicated professionals create value for our clients by connecting deep industry knowledge with innovative technology, while maintaining a commitment to independence, integrity, and objectivity. By listening to our clients, we learn about their businesses and the unique challenges they face. We forge each relationship with the intention of delivering exceptional client service while upholding our core values and our strong professional standards. We invest in tomorrow because we know smart decisions build lasting value for our clients, people, and profession.

¹ Based on terms outlined in the final client engagement contract.

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