

CASE STUDY:

Credit management and pricing strategies for growing niche products manufacturer



Overview

The company is an innovative and ambitious family business, manufacturing specialised products for the worldwide agricultural market. Despite high demand in a niche market, the owners required senior-level finance input to support their growing business.

Challenges

- Stabilise and rebuild the finance team after the previous incumbent left the business.
- Outdated systems and processes.
- Poor and incomplete financial management information.
- Changing management assumptions in a highly volatile economic climate.
- Supplier uncertainty and credit risk.
- Poor understanding of costs and infrequent pricing reviews.
- Concerning cash flow position.

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The Portfolio Finance Director's no-nonsense approach has been a breath of fresh air for our team. Getting to the crux of finance issues quickly and dealing with matter decisively has allowed me to focus on other areas of the business, and has contributed to building the culture we need for future success.

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MD, Agricultural Products Manufacturer



Our Approach

Headstar's Portfolio Finance Director quickly developed a strong working relationship with the business directors to understand the key issues and to support them to adopt the following solutions:

- Maintained business as usual while simplifying existing systems and reporting processes.
- Reviewed the finance team structure and guided recruitment of capable finance expertise.
- Introduced product and pricing analysis to generate accurate management information.
- Developed supplier relationship and reduced credit risk.
- Provided strategic level financial leadership and a sounding board for the directors.
- Supported the business to manage its growth and maintain a healthy cash flow position.

Results

Systems Control

Advised on and implemented process improvements such as credit management and pricing strategies to support a healthy cash flow.

Accurate MI

Reviewed manufacturing and materials costs for existing and new products. Introduced and validated pricing and margin analysis by product group.

Senior Level Expertise

Became an objective sounding board for the directors about future business plans. Provided high level financial expertise to assess and support forward strategy.

Recruitment & Mentoring

Worked with the Directors to create a fit-for-purpose finance structure capable of producing accurate forecasts and budgetary control.

Get in touch to find out how a Headstar Portfolio Finance Director can help to transform your customer's business