



**International Top Executives recruitment service
from interim assignment to permanent placement**

Success Story

Profile COO/Managing Director
Manager CEO Europe Id # : 15052

Position: COO of a pan-European IT Group with subsidiaries in 7 countries

Mission: To restructure the Group, to reduce the burn-rate, to increase sales and production efficiency, to prepare the Group for a valuable exit

Context: In 2001, at the end of the Internet bubble, the Group had previously benefited from large uncontrolled cash injections from its major shareholder (a private equity fund) without results. Unfortunately, cash injections could not longer continue, and the situation was becoming critical. As the Group was detaining real know-how and valuable assets, the only possible solution was to reorganize the Group, to increase its value by repositioning it on the market, and to prepare a good exit. The shareholder engaged me to handle this task.

What I did: the first job was to drive an internal audit, to focus on people, financials, sales products and production processes. Located in 7 countries, each being managed by a country manager with weak reporting constraints, the Group quickly appeared as large feudal non-managed territory. Each country was replicating its own sales system and production team under the pretext of customisation, and creating a blind accounting system ...Before rebuilding, it was urgent to dismantle these feudalities, to unify the process, and to put loyal people in the right places. I managed this process in every country, which took several months. Old members of staff were released at low cost, new procedures were successfully put in place, with a unique R&D team managing all country versions under the full responsibility of a CTO, and a well-organised European sales team under my direct responsibility. My main fear was to lose some key IT people, thus losing some parts of the knowledge of the Group. Fortunately, as the job was carried out with a lot of respect for the people involved and with focus on communication, nobody and nothing disappeared. A new CFO was appointed, and a unique financial management system, including weekly reporting, was deployed.

9 months into the mission, I was able to fully control the situation. I gave the shareholder a complete picture of the situation and the results obtained, pointing out the losses, and proposing a recovery plan focusing on 1) reducing the burn-rate (work more for less), 2) put the Group back in line with market expectations with a new product and service offer, 3) make an acquisition to speed up the production process and create a valuation mark, and 4) gain key major references to start a value chain process. This plan was accepted, and put immediately in action.

The results: within 16 months, the situation was recovered: monthly burn-rate was reduced to a normal point, revenues were increased by 30%, a new offer was produced, tested and sold, a Swiss company was acquired and 3 major key references were gained in Switzerland, UK and France. At that point, I proposed to the shareholder to start the exit job, focusing on an internal solution (sale to a client). This proposition was accepted, and I was in charge of the exit process, with the support of an M&A professional. 6 months later, the deal was successfully closed.

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