

Software Business Plan Development Case Study



Niche education software business develops 3 year turn around plan

Background and Objectives

The client was the new management team of a specialty information management software company. The client's previous management team has made a series of acquisitions that expanded the company's footprint and capabilities, but also created overlapping and redundant product lines and markets, which the company has struggled to integrate coherently. Efforts to sunset aging product lines and migrate customers resulted in massive churn because customers were largely happy with existing, familiar solutions. These efforts were eventually walked back, but did lasting damage to the company's customer relationships and contributed to recent anemic performance.

The client's new leadership had its hands full stabilizing the business, but needed to rapidly develop a three-year business plan and strategy, as no formal plan had been in place. The client engaged BCE Consulting to work with the internal team to accelerate ongoing business plan development efforts.

The BCE team rapidly compiled and analyze relevant internal and external market data to capture the most relevant internal and external dynamics for the business. On the client side, challenges included a shrinking customer base for core products, revenue compression, commoditization of core product segments, and relatively poor brand perception due to recent customer migration missteps.

But the client was not just performing poorly, it was also operating in a lackluster market. While BCE identified growth in adjacent software and services segments, the client's core market was projected to be flat. Customer acquisition opportunities were few and far between, and followed fixed contract recompetes cycles.

BCE identified a range of possible actions to address the multiple challenges the client was facing – from geographic expansion, to pivoting to more profitable niches, to tactical adjustments to improve core market position. We identified acquisition a likely must-do to offset 1-3 year core business challenges.

Ultimately BCE recommended a mix of investments and initiatives that together would allow the client to achieve its business objectives and address underlying issues. BCE delivered the plan to the management team who briefed it to the board of directors who approved additional investments required to turn the business around.

Approach

Recommendations

