

A PRIVATE EQUITY FIRM APPROACHED SKC CONSULTING WANTING TO UNDERSTAND THE CURRENT MARKET TRENDS AND IDENTIFY HIGH-GROWTH SEGMENTS TO MAKE AN INFORMED INVESTMENT DECISION. THEY WERE ALSO INTERESTED IN ASSESSING POTENTIAL ACQUISITION TARGETS BUT WERE UNSURE ABOUT THEIR OPERATIONAL EFFICIENCY AND FINANCIAL STABILITY.

## MARKET RESEARCH AND ANALYSIS

SKC Consulting conducted in-depth market research, evaluating the healthcare landscape, including trends and current demand across specialist service lines. The analysis helped the client identify under-served segments and emerging market demand.



## IDENTIFYING HIGH-DEMAND SEGMENTS

Through comprehensive analysis, and in-depth primary and secondary research SKC were able to identify high-growth areas. This insight guided the firm to focus on these areas of healthcare, positioning them for future profitability.

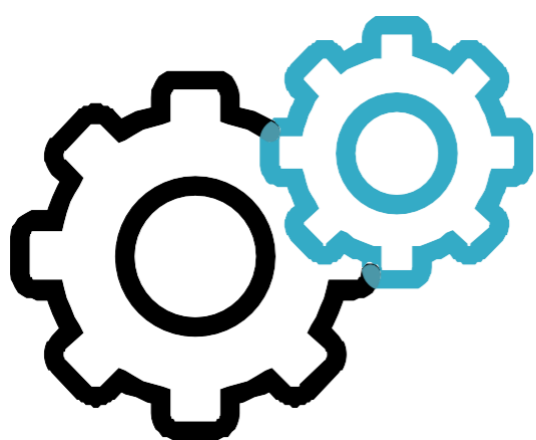
## COMMERCIAL DUE DILIGENCE

SKC utilised their expertise in business development and longstanding stakeholder relationships across Local Authorities, Local Councils and NHS Trusts to perform a detailed CDD. They were also able to provide detailed competitor analysis thus producing a shortlist of potential acquisitions, evaluating their operational efficiency, market positioning, and scalability. The due diligence uncovered several operational inefficiencies in one target, which helped the client negotiate a better deal.



## FINANCIAL DUE DILIGENCE

SKC carried out financial due diligence, analysing the financial health of the shortlisted companies. This included a deep dive into revenue streams, cash flow, and long-term profitability, allowing the private equity firm to make well-informed investment decisions. Competitor rates and pricing strategies were also included in the analysis.



## STRATEGIC RECOMMENDATIONS

SKC Consulting provided the client with tailored recommendations, including how to optimise the operations of the chosen acquisition and scale their services. Subsequently, the private equity firm successfully invested in a company focusing on mental health services where, within 12 months, they saw a 20% increase in revenue, driven by improved operational efficiency and alignment with market demand. Furthermore SKC were able to help drive occupancy into the acquired services embed positive relationships with key referrers.



**SKC Consulting**

Creating Impact, Delivering Value

A REGIONAL HEALTHCARE PROVIDER OPERATING 12 FACILITIES ACROSS THE WEST MIDLANDS WAS STRUGGLING WITH DECLINING PROFITABILITY AND OUTDATED SERVICES THAT NO LONGER ALIGNED WITH MARKET DEMAND. THEY APPROACHED SKC CONSULTING FOR HELP IN REVITALISING THEIR UNDERPERFORMING ASSETS AND IMPROVING OPERATIONAL EFFICIENCY.

## MARKET RESEARCH AND DEMAND ANALYSIS

SKC Consulting carried out thorough market research to assess trends and gaps in the healthcare landscape of the West Midlands. The analysis highlighted an increasing demand for mental health services and specialist elderly care, both of which were missing from the client's portfolio.



## IDENTIFYING HIGH-DEMAND SEGMENTS



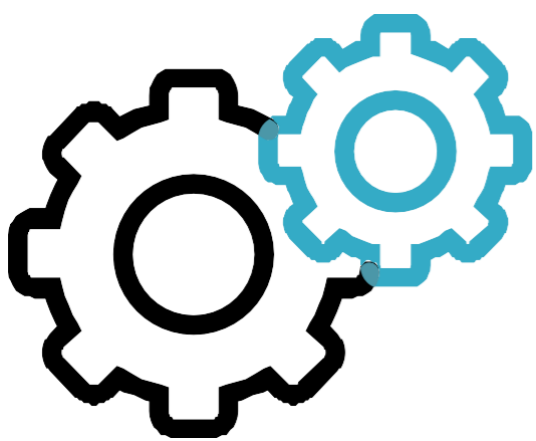
Building on the market analysis, SKC Consulting helped the client identify high-growth areas where they could realign their service offerings. It was determined that retooling the existing services to offer mental health services and specialist elderly care would better meet local healthcare needs, attract a wider patient base, and thereby enhance profitability.

## COMMERCIAL DUE DILIGENCE (CDD)

SKC conducted a full CDD assessment of the provider's 12 facilities, evaluating operational efficiency, financial performance, and market fit. Inefficiencies were uncovered in various areas of the business and SKC were able to give recommendations on how to improve these to regain stakeholder engagement and ultimately drive referrals.



## SERVICE REDESIGN & PROPERTY RECONFIGURATION



SKC developed a comprehensive plan to redesign services and reconfigure properties. Outdated services specifications were phased out and replaced with the new mental health and elderly care services. SKC also recommended facility upgrades, such as converting underutilised spaces into outpatient clinics and modernising key areas to support efficient operations and patient flow.

## IMPLEMENTATION

With SKC's strategic approach, the healthcare provider saw a 25% increase in revenue and a 35% rise in referrals within 12 months. The combined service redesign and property upgrades also reduced operational costs and positioned the client for long-term sustainable growth in key healthcare segments.

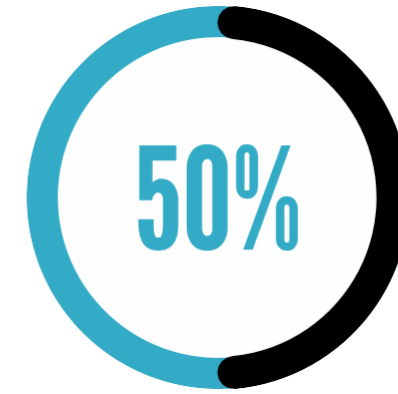


**SKC Consulting**  
Creating Impact, Delivering Value

# WHY HAS OUR SPECIALIST REHAB UNIT BEEN RUNNING AT LOW OCCUPANCY OVER THREE YEARS?

## OCCUPANCY VS TARGET

Our specialist rehab unit is currently running at 50% occupancy vs target.



## CLIENT REVIEW

SKC's assessment of the situation led to an understanding of the key issues that had resulted in low occupancy.

## CUSTOMER MAPPING

In-depth mapping of key stakeholders, decision-makers and influencers in the local and surrounding NHS areas helped uncover reasons why people had stopped referring to the unit – some of which were related to the client's own internal issues. For instance, high turnover of Hospital Managers and barriers to accepting patients.



## RELATIONSHIP MANAGEMENT

SKC were able to successfully address key customers' concerns around high turnover of senior managers and offer assurances regarding the long-term plans in order for them to remain within the organisation. This in turn was reflected in the safety of clinical practice and positive clinical outcomes.

## DRIVING OCCUPANCY

Ultimately SKC helped achieve one admission a month over a period of 6 months to drive occupancy to a profitable level.



# SKC Consulting

Creating Impact, Delivering Value

# HAS A LACK OF AWARENESS OF OUR SPECIALIST SERVICE OFFERING AND CARE PATHWAYS AVAILABLE TO PATIENTS, LED TO A STEADY DECLINE IN OUR OCCUPANCY?

## WHAT ARE OUR COMPETITORS DOING BETTER THAN US?

### DECREASE IN REFERRAL RATES

Our specialist rehab unit is currently running at 50% occupancy vs target. Our client, a well-established specialist mental health provider with years of experience caring for people with complex needs and personality disorder, experienced a significant decrease in referral rates.



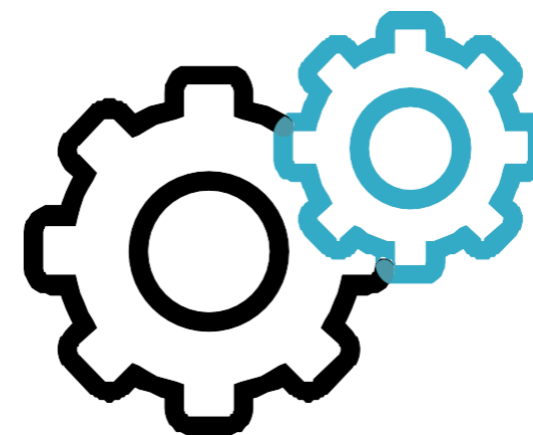
### COMMERCIAL DUE DILIGENCE



SKC ran a market demand analysis to ascertain local need across the surrounding NHS regions. Commissioners were asked for feedback on how they felt the service currently operated and whether they were perceived as more risk averse than their competitors. They were also asked to confirm what type of service was more appropriate in order to meet patient needs.

### BUSINESS DEVELOPMENT

Insights from the demand analysis lead to a more targeted outreach program by SKC and the development of new marketing collateral. Internally, SKC designed and ran a workshop on 'The effectiveness of Customer Communication' in order to ensure all internal stakeholders were aligned in their perception of both the service and the patient profile they were operating with.



### RESEARCH

Weekly customer insights were shared with the senior management team and Board Members. SKC also implemented a more robust 'Weekly referrals meeting' in order to further define decision-making criteria for acceptance and/or rejection of referrals.



### INCREASE IN REFERRAL RATES

As a result of SKC's work, the referral rate to the Hospital increased and customers were able to understand which types of patients would be best supported within the service.



# HOW CAN WE ENSURE OUR SERVICE IS EVOLVING TO MEET THE DEMANDS OF THE CHANGING NHS COMMISSIONING LANDSCAPE WITHIN SPECIALIST MENTAL HEALTH?

## UNCERTAINTY

Faced with the unfamiliarity of future commissioning arrangements within their specialist mental health domain our client needed support in understanding how this could potentially affect business.

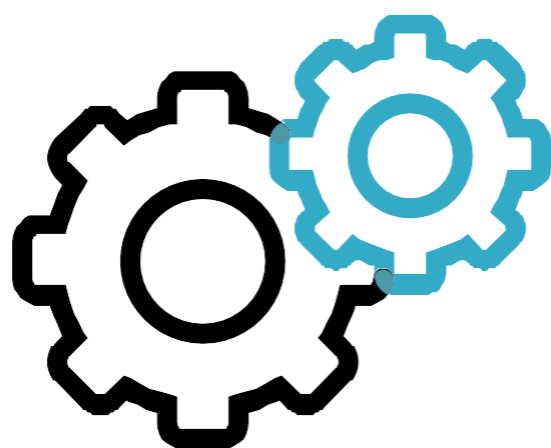


## STAKEHOLDER ANALYSIS

SKC's in-depth multi-stakeholder analysis and engagement with key influencers across a national footprint brought our client key insights into how they can operate and build their main service offering and maintaining a long-term sustainable business.

## COMMERCIAL DUE DILIGENCE

Through months of due diligence and by aligning our client's commercial strategy with the NHS New Care Model's key objectives we were able to inform their growth planning and secure new business in areas of need.



## BUSINESS DEVELOPMENT

Our client is now working in partnership with a number of NHS Trusts/CCs to deliver a more robust clinical model to ensure patients have access to therapy as close to home as possible.



## FUTURE GROWTH

The organisation has a clear direction on how they want to shape their growth strategy moving forward and where the highest demand for their service model is.



# SKC Consulting

Creating Impact, Delivering Value