



Proudfoot

PRIVATE EQUITY
PROOFPOINT

What if you could...

optimize labor expense at a newly acquired portfolio company to improve EBITDA by \$4.4M per year?

With Proudfoot, you can.

When a leading private equity firm invested in one of the nation's largest ophthalmology providers, they found that while clinical growth rates were solid, year over year labor costs were outstripping that growth.

The provider, with a vertically-integrated model of over 50 clinics in 5 states, had achieved much of their recent growth through acquisition. Having struggled to integrate systems and controls for site-level demand, Proudfoot was first engaged to assess the situation holistically, uncover root causes, and create a roadmap to control and reduce labor costs in a demand-driven manner.

Proudfoot first confirmed the client's hypotheses through a 3-week top-down and bottom-up analytical exercise. Upon completion of this analytics phase, having successfully revealed the levers that drove labor costs, Proudfoot then began a full-scale transformation to realize **\$4M+ in yearly savings** within 6 months.

Focused on sustainable labor efficiency improvements through observation and **standards-driven rightsizing**, Proudfoot also integrated a **master scheduling process** at practice, regional, and organizational levels—and delivered these new tools and processes along with improved active management controls, essential lean concepts, and a newfound culture of continuous improvement.

Transformational Approach

First, Proudfoot reviewed and analyzed scheduling practices & practice management at point of execution to provide best practice recommendations for labor control.

Having identified major technology gaps in the roll up of reporting and KPIs, as well as in clinic-to-clinic booking systems, Proudfoot created and implemented proprietary **scheduling and headcount tools** for all levels of the organization.

- A headcount tracker at the organizational level to track and sustain appropriate levels
- A Regional Level & Practice Level Master Schedule to match volume and demand on a mid-term and long-term basis

Proudfoot concurrently worked alongside clinic and regional managers to install essential lean concepts like **Root Cause Corrective Action, A3 Problem Solving, Demand Levelling, 5S, and Waste Identification & Reduction.**

- Clinics were led through A3 exercises, with certain practices creating a **16% reduction in patient cycle time** and others seeing a **33% improvement in call center accuracy**
- Proudfoot led lean workshops and training sessions for key managers and supervisors to drive operational excellence forward at the practice level

"Proudfoot understood how to augment our work and make our acquisition a success. Their expertise on the operations side was invaluable."

PE MANAGING PARTNER

Remarkable Results

Proudfoot paired interviews and observations at 30+ sites with mid- and site-level data to outline and then enact the changes necessary for sustainable value creation.

\$4.4m savings created in yearly labor expense

\$3m in cumulative direct P&L impact by end of calendar year

33% improvement in call center accuracy

16% reduction in patient cycle time