

## Asking the Hard Strategic Questions

In the last few months of 2009 and into early 2010, we worked with a giant in the entertainment and media world, grappling with the challenges brought on by the recession and a rapidly changing industry:

- Advertising down across the board
- Newspaper and magazine circulation in the doldrums
- Digital communications, the one growth area, with few viable business models.

PSG's role: to facilitate the strategic planning process, ask the hard questions, get the leadership team to confront the facts and talk candidly to one another. At a pragmatic level, our challenge was to move the discussion forward to a set of logical, yet manageable steps that would define the organization's make-up over the next three years. Again, the key questions:

- Which operations should be closed or sold off?
- How/when does one sell when the industry is depressed?
- Where should future cash flow be directed?
- How should future business opportunities be systematically identified?

The resultant output was an action plan specifying timelines, deadlines, people and financial resources, facilities, equipment, technology and system needs, as well as corresponding accountabilities for implementation. As the economy has bottomed, advertising and circulation has stabilized and in many cases picked up. We avidly follow the next steps.