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Difference between WRSX business plan forecast and actual performance during board meeting.

When examining the primary causes of the difference between our group's WRSX business plan estimates in MSX Phase 2 and reality during MSX Phase 3, it is critical to analyze both financial and non-financial key performance indicators (KPIs). We can determine the causes leading to these variances by comparing each year's projection to the results addressed in the board meetings (BM1–BM6).

Financial KPI Analysis

The financial performance of WRSX, as evidenced by the gross revenue, profit margin, return on sale percentage, employee costs, and share prices, demonstrated remarkable differences between the observed board meetings. Specifically, the future gross revenue, expected to rise across the board meetings, was fluctuating. Thus, in BM1, the actual gross revenue was higher than expected. The accomplishment in the market entry was the main reason that brought such results. As evidenced by the current state of the industry, it is crucial to have a strong local presence in the most lucrative markets of investment (Michael , et al., 2020). Table 1 shows the financial projections made in the business plan before the commencement of the board meetings. There was a significant increase in results from BM 5 and BM6, especially in the share price as it increases by over £1.0, also the final share price from BM6 is 69.4% higher than projected share price in year 3.

Table 1 – Overall financial projections from business plan

PARAMETER	YEAR 0	YEAR 1	YEAR 2	YEAR 3
Gross Revenue	200	250	300	350
Profit (PBIT)	33	83	133	183
Return on Sale (%)	16.5%	33.2%	44.3%	52.2%
Employee Costs	63%	/	/	/
Share Price	£2.32	£2.72	£3.22	£3.72

Table 2 - Overall financial projections from board meetings

PARAMETER	BM 1	BM 2	BM 3	BM 4	BM 5	BM 6
Gross Revenue £M	290.2	230.2	236.4	263.1	301.0	325.2
Profit (PBIT)	27.1	32.6	29.5	36.9	48.1	61.1
Return on Sale (%)	9.3%	14.2%	12.5%	14.0%	15.9%	18.8%
Employee Costs	64.3%	61.7%	63.8%	61.9%	59.8%	58.2%
Share Price	£2.32	£2.90	£2.65	£3.42	£4.85	£6.30

However, in the progressing board meetings, gross revenue was less than the anticipated due to the unforeseen market challenges and aggressive competition from other operators. For instance, as seen in table 2, in BM2 & BM3, the market expansion shows that the innovation of new services such as Cine FX in London and New York was not able to achieve the anticipated growth, thus this market diversification and expansion presents the risk. Moreover, profit before interest and taxes (PBIT) showed variety from one board meeting to another. Despite the increase in the overall profitability, some decisions had different impact on the profit margins. A seen, in BM4 and BM5, decisions to improve operational efficiency and optimization of cost positively contributed to the profit margins. While in BM3 the launch of the Cine ex unveiled the higher-than-expected costs of production, thus leading to a dip in profitability for that period, this reflects the importance of assessment of investment decision to minimize the level of risk and maximize returns (Norton, 2004).

With respect to employee cost, the business plan anticipated a gradual decline in staff expenses over time, however the actual results differed from this pattern. In BM6 the cost was less than projected because pf the productivity increases and well thought out labor management. However, BM4 and BM5 showed a tradeoff between immediate expenditures and long-term organizational growth, as more investments in talent acquisition and retention techniques resulted in higher staff costs.

Significant swings in share prices reflected on how investors felt about the company's performance and strategic choices. BM6 had a notable increase in share price after the declaration of robust financial outcomes and strategic endeavors, including objectives for market development and sustainability activities. This emphasizes how crucial proactive investor relations and open communication are to increasing shareholder value (Richard, et al., 2020)

Non-Financial KPIs Analysis

This includes client acquisition and retention, procurement management, CSR activities, risk management, growth management, and leadership capacity, also fluctuated at board meetings in addition to the financial measures as. These modifications show how the company has adjusted its strategy and altered organizational dynamics. Table 3 shows the projections made in the business plan according to these KPI's\

Table 3 - Overall non- financial projections from business plan

Parameter	Year 0	Year 1	Year 2	Year 3	Percentage increments
Management of Growth	43.5	45.6	47.9	50.3	5%
Management of Risk	41.3	46.4	52.2	58.7	12.5%
Leadership Capability	39.2	43.1	47.41	52.1	10%
CSR	38.5	42.3	46.5	51.1	10%
Client attraction and retention	52.0	57.2	62.9	68.2	10%
Procurement and Supplier Management	38.7	42.5	46.7	51.3	10%
Average (Industry Av.=50)	42.2	46.4	51	56.1	10%

Strategies for attracting and keeping clients had good results, as seen by the steadily rising client satisfaction levels. The improvement of customer loyalty and revenue development was facilitated by strategic investments in client relationship management and service delivery skills. Nonetheless, difficulties with supplier management were identified, calling for tighter cooperation and performance tracking to reduce risks and guarantee the robustness of the supply chain.

Critical agenda items that included plans for market entrance, sustainability programs, diversity policies, organizational reorganization, client retention tactics, governance structures, and market growth projects were discussed at every board meeting. These sessions result in decisions that are proactive in meeting market needs and strengthening organizational resilience.

The board decided to enhance performance and talent retention. This includes collaborating with similar-valued companies, implementing performance management systems, and introducing a value-based compensation model. The company is also considering potential account conflict with UK government advertising contracts related to obesity. Also, selling WRSX shares due to financial underperformance, establishing an Islamic Marketing business unit in a Muslim country to appeal to the Muslim market, and becoming the agency of choice for Asian brands expanding globally.

Table 4 shows the results gotten after the series of board meetings for the non-financial KPI's

In BM1, the choice to join the Chinese market was in line with rival tactics and industry trends, which helped to increase revenue and market share. Nonetheless, difficulties in BM2 and BM3 highlighted the necessity of quick decisions and risk-reduction techniques to successfully negotiate competitive marketplaces.

Value-based pay models (BM5) and the introduction of Cine FX (BM3) are two examples of strategic initiatives that were meant to take advantage of market possibilities and promote long-term value development. But to maximize results, executional and resource allocation issues required strategic reevaluations and modifications.

Table 4 - Overall non- financial projections from board meetings

	Start Position (Period 0)	Board Meeting 1 (Period 1)	Board Meeting 2 (Period 2)	Board Meeting 3 (Period 3)	Board Meeting 4 (Period 4)	Board Meeting 5 (Period 5)	Board Meeting 6 (Period 6)
1. Management of Growth	43.5	49.3	51.0	50.3	50.5	56.5	58.0
2. Management of Risk	41.3	39.3	41.3	40.0	43.0	49.0	50.0
3. Leadership Capability	39.2	42.4	45.0	45.8	47.2	52.6	53.6
4. Corporate Social Responsibility	38.5	40.3	41.8	42.3	43.8	46.0	47.8
5. Client Attraction & Retention	52.0	54.8	56.6	57.4	58.8	64.0	65.0
6. Procurement & Supplier Mgt	38.7	39.7	40.3	42.7	43.7	45.0	45.3
Index Average	**42.2**	**44.3**	**46.0**	**46.4**	**47.8**	**52.2**	**53.3**

The intricacies of strategic management are shown by differences between WRSX's actual performance, and the projections made in its business plan. Important insights into the variables impacting organizational performance and strategic results are obtained by examining both financial and non-financial KPIs alongside board meeting choices.

How and why academic models and frameworks of strategic management are applicable to WRSX decision making.

BM 5 of WRSX group focused on critical agenda issues such as Creating new employment policies, Major clients move towards re-negotiating agency income model, Key strategic appointment in underperforming subsidiary, West Coast acquisition, UK Government advertising contracts, and Business integration. These discussions emphasized on the company's need to adapt to current workplace dynamics, address shifting client demands, plan for subsidiary turnaround, expand geographically and maintain organizational culture amidst growth. This Bm was a critical platform for developing wrsx's strategic direction. And maintaining competitiveness in the advertising business.

In this meeting, the following agendas were selected which warranted strategic deliberation and action.

Creating new employment policies- becoming employer of first choice

The 'WRSX Future Leaders' Program is being requested by the Board to encourage growth. HR should also take cue from 'frontier' firms who have emphasized on work flexibility, which does not put commercial interests at loggerheads with purpose-driven opportunities. The purpose of this approach is to be a preferred employer among targeted staffs.

To do justice to this, the option of collaborating with clients on talent retention strategies was chosen. That is option C, this enables potential lead to increase efficiency and competitiveness through the alignment with client companies and suppliers who share similar values (Norton, 2004).

Collaborating with client organizations and suppliers to achieve talent management initiatives is consistent with the strategic framework of strategy and people. WRSX pools its resources and expertise to recruit and retain people by adjusting to changing performance requirements and including a clear value proposition. As a result, this method strengthens WRSX's market position and makes it more sustainable.

Key strategic appointment in underperforming subsidiary

UK audio visual production company Audio Image is facing underperformance and management is falling short. Three candidates have been identified to replace them as managing directors, with a strategic change program to improve performance, despite low customer satisfaction scores.

Option B, which aims to improve audio image's business culture by focusing on effective performance management system, re-structuring, and removing underperforming employees to enhance overall performance was chosen. This also mean all managers will require training in setting SMART (Specific, Measurable, Achievable, Relevant and Time Bound).

The managing strategic change framework was instrumental in decision of the audio image's underperformance. By focusing on improving the business culture and performance management, this indicates the identification of weakness. It emphasizes on talent development, and operational efficiency, ensuring sustainable performance improvement and long-term success. This is consistent with management frameworks for strategic change, with a focus on personnel development and operational effectiveness (Richard , et al., 2020). Also, findings from (Kotter, 1996) highlight how important strong leadership is in driving organizational change and improve performance.

Major clients move towards re-negotiating agency income model

Advertising Age reports on the rise of online purchasing systems by larger consumer marketing companies, aiming to control costs by allowing suppliers to bid for their business in an online auction (Alkubise, 2012). This system is being extended to services, with one of the largest beers, spirits, and wine marketers in the US using this system. This shift in power towards client companies raises concerns about the impact on established relationships with agencies and creativity.

For this agenda, the agency is set to consider exploring a 'value-based' compensation model to tackle online procurement challenged and changing power dynamics, promoting creativity, efficiency and potentially preserving agency margins. This will allow the system to cover media and creative costs, with a bonus mechanism of up to 30% based on product sales and overall performance (Porter, 1998). This is option B.

Porter's Five Forces framework has been utilized in the advertising sector to guide strategic decision-making on the adoption of a value-based compensation model amid digitalization (Michael , et al., 2020).

Threat of New Entrants: Online procurement systems may increase new entrants in the advertising industry, as client companies control advertising budgets through centralized procurement, potentially threatening incumbents while maintaining creative product edge, this is proved from the understanding from the book (Micheal, et al., 2020).

Bargaining Power of Buyers: Online procurement systems have increased control over advertising services, shifting bargaining power to buyer companies. This could lead to reduced profitability. To counter this, advertising agencies are adopting a value-based model, focusing on value delivery and performance rather than price, to reduce buying power.

Bargaining Power of Suppliers: Traditional ad agencies lose influence due to increased client company bargaining power over pricing and procurement management practices. Online procurement lowers prices and margins, shifting pay structure to performance-based rewards.

Threat of Substitutes: Traditional advertising channels dominate the brand promotion sector, despite digital marketing platforms. Online procurement systems may disrupt company relationships. Agencies will implement a value-based payment structure focusing on deliverable outcomes and creativity.

Intensity of Competitive Rivalry: Online procurement systems have intensified competition in advertising services, leading to increased rivalry among established and new entrants. To address this, a shift towards a 'value-based' compensation model is proposed, emphasizing performance-based client outcomes and creativity, while preserving differentiation in rapidly changing market conditions.

The firm adopts a value-based compensation model to adapt to e-procurement growth, utilizing Porter's Five Forces strategy to manage industry risks, examine buyer, supplier, new entrant, substitute threat, and competitive rivalry.

UK government advertising contracts - potential account conflict

The UK Government Information Office has awarded two contracts for a social marketing campaign aimed at reducing obesity levels and food wastage. The London office is considering supporting Goodey Fast Foods, a client linked to high-fat, salt, and sugar products. WRSX London is budgeting for these campaigns, but there is no guarantee of winning the business in a competitive market.

Option B, where the consideration of the urgent obesity issues raised by the government information office and as well the suggestions of wrsx's social responsibility program was chosen. This encompasses the invitation of Goodey Fast Foods to present ideas for an obesity campaign, recommending launching low-fat, low-salt fast foods in a national, campaign supported by the information Office (Norton, 2004).

Goodey Fast Foods was chosen by WRSX London because they consider corporate social responsibility (CSR) to be the most important factor in their decision-making process. This is in line with government policies that tackle obesity and food wastage, boost reputation, stakeholder relationship and competitive edge.

Reflective analysis of our group's decision-making process over the course of the six WRSX board meetings.

Decision making is a crucial skill a board needs to possess; our decisions were heavily influenced by the environmental factors provided for the agendas (Richard , et al., 2020). This enabled us to use Pestel analysis to scrutinize the agendas and select the top priorities as well as the approach to achieve our goals. Each meeting also involved an in-depth review of all the KPI's alongside the market dynamics, and internal capabilities (Norton, 2004). Considering the year started with a scandal and other challenges, these approaches had to be put in place to ensure growth.

Effective communication and implementation plaid a huge during the cause of our board meetings (Kathleen M. Eisenhardt, 1992). These were achieved by ensuring there was transparency and clarity even during arguments and disagreements, secondly the board focused on active listening to each other's opinions, analysis as we reminded each other on the main agenda.

Our strengths as a board include timely decision making, this was portrayed in the prompt approach to address emerging issues. Secondly, the group relied on relevant information from the agenda briefings and environmental factors, as well considering the results from initial meetings. Lastly, our business plan projections, goals, and objectives also paid a crucial role.

Our decisions reflected highly on our performance, even during our trying times as of board meeting 3, we reflected highly on or decisions to improve in further decisions, this can be seen in our results shown on table 4 to 7. The effectiveness of our decision-making process can also be analyzed in BM5, for example, the decision to limit the budget for the CSR program was made to increase profitability, this shows the significance of reconciling financial goals with larger cooperate principles.

The team's decision-making could have been improved by incorporating data and risk assessment, balancing analysis with flexible actions, adopting an emergent strategy, and capitalizing on strengths and weaknesses.

Lastly, our strategy was coming to being as the results between our BM4 to BM6 are proof of this, it shows the being of our approaches and decisions by greatly impacting in our results.

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