



In this edition, we bring you a range of insights designed to help your business navigate the complexities of today's market.

Everything from how ERA Group can enhance audit services, streamline omnichannel payments, and reduce recruitment costs while improving hiring outcomes.

Explore how ERA Group can help you drive value across all aspects of your business.

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ERA Group: Adding Value to Audit Services

By Mark Green

Auditing can be seen as one of the least glamorous sides of business, a necessary expense and disruption in achieving the filing of the annual accounts. Many cost reduction programs or value add initiatives will simply pass over this expense line, deeming it untouchable, a sunk cost.

However, the landscape is changing, with organisations across all sectors subject to increasing regulatory and compliance requirements, driving up audit complexity and cost. The average audit fee for a public company has jumped 75% since 2018, with increases also impacting small and medium

sized companies and educational institutions. These increases can often go unchecked within organisations who simply maintain the same audit firm year after year.

The EU Audit Reform Act and the UK Brydon Review combined with heightened focus from the Financial Reporting Council, all aim to

enhance the integrity and transparency of audit processes. In 2023, audit firms in the UK were collectively fined around £40 million by the Financial Reporting Council for various audit failures. Notable fines included significant penalties for KPMG, for its audit failures related to Carillion, PWC in relation to Eddie Stobart Logistics and Deloitte who faced enforcement actions related to SIG plc.

Whilst these fines reflect ongoing concerns about the quality and reliability of audits there is also the reputational impact for clients. The association of their company with an audit failure could give rise to concern from suppliers and customers. In addition, Audit Committee members can be held accountable if found to have breached their duties or acted negligently, with liability potentially arising in cases of fraud, misconduct, or failure to act in the best interests of the company.

It is therefore critical that an organisation appoints the right audit firm and ensures that the audit rigour and value add throughout the year is delivered. Ongoing management of the audit service and a push to gain better support from audit firms through the provision of data analytics, training and market insight will often be invaluable to organisations.

Are you happy with your auditors?

It is a great starting question for any KAM and often opens up a wider conversation to which we can offer a solution. As best practice it is recommended that a company should review audit arrangements every 5 years and ensure change every 10 years, however a company can change an audit firm at any time.

By engaging ERA, we can start to dig deeper, profiling and documenting the key deliverables an organisation really wants from their audit firm, particularly in uncertain markets.



This may include reducing cost, benchmarking and best practice, market insight, data analytics or strategic partnership. ERA run the tender process, aligning internal stakeholders, onsite visits, co-ordination of documentation and delivery a process to meet regulatory and industry best practice requirements.

ERA will take time to ensure you have the right audit firms engaged to meet specific sector requirements. With effective negotiation we will ensure every element of value add and service is incorporated into the audit fee rather than charged as additional extras. We deliver a high-quality outcome, tailored to the objectives of the client, with end-to-end ERA management of the process, giving back time to stretched CFO teams and ensuring Audit Committees are compliant with tender requirements.

Our services are quick to market and generally offered on a fixed fee basis, typically split 50% upfront and 50% upon completion over a 2-3 month period. There is the ability to provide

ongoing service management ensuring that the commitments made within the tender are delivered. There are additional benefits gained from this process, forming strong relationships with key decision makers, ability to reinforce the ERA value add and gaining insights into a company's operations, pain points and forward-looking strategy. This feedback is an extremely helpful reference point for the KAM to identify further project opportunities.

In conclusion, whilst selecting the right audit firm may appear a straightforward process to complete a statutory task, it should not be overlooked. When executed well it provides a great introduction to ERA, bringing significant benefit to the client by adding addition service and value, reducing costs or ideally both. ERA Group can help navigate this landscape effectively, at the same time gaining insight into a client's operational arrangements and ensuring the maximum benefit is derived from the audit firm.



Optimising Omnichannel Payments: How ERA Group Can Help Businesses Navigate Complexities

By Paul Lucraft, Jon Barras and Paul Seddon

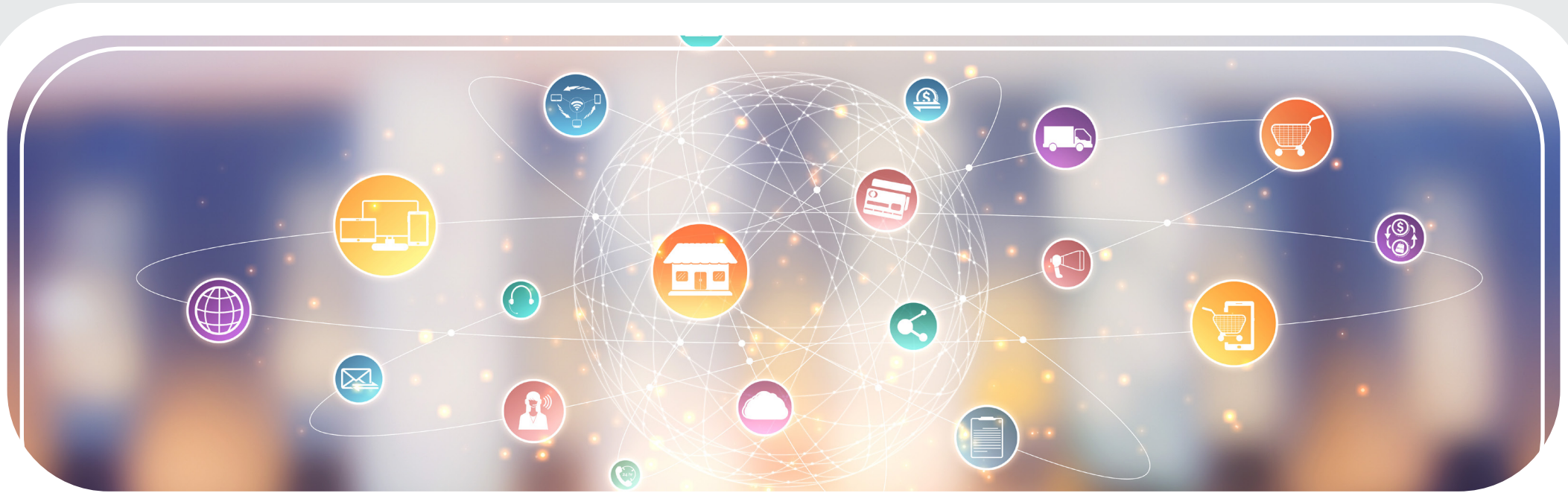
In the current retail landscape, customers purchase items via Apps on their mobile phones, in physical stores, online through their laptops, and even with a phone call. Coordinating these different channels consistently is a significant challenge for businesses.

The Complex Landscape of Omnichannel Payments

Managing these various sales channels involves complexities, especially when customers want to return items purchased online to physical stores. For example, if someone buys a dress on ASOS and wants to return it because they don't like the style or it doesn't fit, they simply mail it back. However, with retailers like Next or Marks and Spencer's, customers may prefer to

return items in-store for an exchange or refund.

Handling returns is a major challenge. Some clients are seeing over 20% of sold goods returned. This becomes even more complicated when customers buy multiple items and return only a few. The process involves verifying that the returned items match the purchase and ensuring the same customer is recognised both online and in-store.



Online and mobile payments go through gateways, which are third-party secure websites ensuring data security and protecting merchants from handling sensitive customer data directly. This system is different from in-store transactions where payments are processed directly via POS devices. Aligning these systems is crucial for seamless operations but can be quite complex.

We have clients with multiple payment gateways depending on their services, like a leisure company using different systems for hotel bookings, restaurant payments, and holiday park rentals. Helping our clients to manage the integration of these various systems to provide a seamless customer experience and optimise pricing is part of our job. The goal is to create a frictionless purchasing process, recognise returning customers, and ensure systems work seamlessly every time.

Recognising and rewarding loyal customers is another challenge for businesses. For instance, offering discounts to repeat customers requires robust data management systems to track their interactions across all channels.

ERA Group's Role in Streamlining Omnichannel Payments

We've assisted leisure companies with booking systems for hotels and holiday parks, and ensuring smooth POS transactions in-resort. We've also helped major retailers align their online and in-store sales systems, even for international operations, making returns and customer recognition more efficient.

In another example, we helped a company selling power tools both online and in stores. By re-engineering their processes, we ensured efficient and low-risk delivery of goods, improved their sales ratio, and

optimised their fraud and risk settings. This not only safeguarded against fraud but also prevented the loss of legitimate sales.

Adding value for our clients

At ERA Group, we can help with revenue improvement, not just cost reduction. We optimise fraud settings to ensure good business isn't turned away while maintaining strong fraud controls. We also ensure all parts of the sales process, from order completion to handling disputes, work efficiently and align with customer service requirements.

ERA Group's expertise in managing these complex systems provides clients with a streamlined, secure, and efficient payment process, enhancing customer satisfaction and loyalty.

The complexity of omnichannel payments makes it difficult for clients to review themselves. They need specialist input to

stay up-to-date with market opportunities, technological and regulatory changes, which is where ERA Group excels. Additionally, we help clients understand the multiple suppliers and embedded systems they use, ensuring seamless integration and cooperation among different stakeholders like finance and marketing.

Even large companies like Barclays or Worldpay face challenges when managing different payment teams. Facilitating understanding of these systems to help enable seamless customer service is what we specialise in. We've helped many clients improve their systems and sales while tackling back-office issues. Our vision and understanding of how these systems work is crucial for delivering effective solutions.

For more information on how ERA can help your business navigate the complexities of omnichannel payments, contact us today.



Cutting recruitment costs, whilst improving hiring outcomes.

By Jonathan Lindon

Battling Recruitment Challenges

Businesses in the UK typically experience an annual employee turnover rate of around 15%. This implies that for a company with a workforce of 1,000 employees, approximately 150 new hires are required each year just to maintain staffing levels. When growth is factored in, the hiring needs surpass 15% of the workforce, making recruitment a critical function. After all businesses know that not filling a position eats into productivity and profit.

To manage this turnover, companies employ various hiring strategies, with many relying

on their Human Resources (HR) departments, which often include a talent acquisition function. While HR and talent acquisition teams play a pivotal role, they often face significant workload pressures, leading to constraints on their capacity to fill all necessary roles. Moreover, HR teams typically lack the time to proactively reach out to passive talent, often relying on responses to advertisements rather than actively sourcing candidates, therefore missing huge swathes of the market. In addition, internal teams may not always possess the in-depth understanding of the talent landscape needed to effectively identify and attract the right candidates for

niche roles. Consequently, businesses frequently allocate budgets to external recruitment agencies to bridge the gap on knowledge, candidate accessibility and resource limitations.

When engaging recruitment agencies most operate on a success-based fee structure, typically charging 15-25% of the hired candidate's annual salary. While effective, this can quickly become a costly solution, particularly for companies with high hiring volumes.

The Embedded Hiring Solution

While many organisations believe they have negotiated the best rates with recruitment agencies, there are more cost-effective alternatives available, such as embedded hiring, or recruitment process outsourcing (RPO).

A notable proportion of the top FTSE 500 companies utilise RPO to streamline their hiring processes, allowing them to focus on core

business activities while an external partner manages recruitment. However, a new breed of RPO has been emerging in the market, and has been utilised very effectively in recent times. The 'Embedded Recruitment' solution offers a scalable 'recruitment as a service' option for businesses with 25 to 2,000 employees. Unlike traditional recruitment agencies, embedded hiring solutions align closely with the company's goals, mission, vision and values ensuring candidates fit culturally, budgetarily and from a skills perspective. And because you are paying for time, rather than on success, Embedded Recruitment provides superior value for money.

For example, engaging a recruitment agency to hire a Financial Director might incur a 15-25% fee of the candidate's salary. In contrast, an embedded solution typically reduces costs by 40%, a significant saving for companies with extensive hiring needs.



Furthermore, companies requiring rapid scaling can benefit from an embedded recruitment team, which integrates with the existing talent function to enhance collaboration and efficiency. From a branding perspective, an embedded solution ensures consistent communication and preserves brand integrity, unlike multiple agencies that might misrepresent the brand in the talent market.

In essence, an embedded hiring solution offers a tailored, efficient process which can be 'dialled up, or dialled down' as the needs of the business flex and change. And because the solution is aligned to the same goals as the client that they are engaged with, the outcomes are much better, resulting in higher-quality hires and improved retention rates.

Businesses often perceive their options as limited to internal recruitment or external agencies. However, an embedded solution combines the benefits of an internal team with the flexibility, talent pools and expertise of external agencies. This approach has proven advantageous, as evidenced by its implementation at the UK's fastest growing Buy Now, Pay Later scale up, where an embedded team facilitated significant growth, scaling the workforce from 100 to 250 employees in nine months, and saving the business more than £180k in agency fees.

Whether a company has an established talent function or relies heavily on agencies, an embedded solution can offer substantial cost savings and improved hiring outcomes. Unlike fixed-term contract talent partners,

embedded solutions come with a structured management framework, service level agreements, and key performance indicators to ensure optimal performance.

ERA Group: Your Partner in Recruitment Efficiency

ERA Group not only procures embedded hiring and RPO solutions, but also leverages its expertise to negotiate with existing

recruitment agency partners to reduce costs. By optimising agency relationships and securing favourable terms, ERA Group ensures that businesses receive the best possible value from their recruitment spend.

At ERA Group, the focus is on delivering the right fit for each organisation. For larger companies, a traditional RPO provider might be suitable, but for smaller businesses, embedded solutions offer an ideal alternative.

By partnering with ERA Group, businesses can achieve efficient and cost-effective recruitment strategies, tailored to their unique needs.



Working Capital Management: Insights and Solutions for Today's Economic Landscape

By Harvinder Rattan

In today's economic environment, underscored by a PwC analysis of 17,000 global corporations, efficient management of working capital has taken on renewed urgency.

With the UK witnessing its lowest inflation rate in nearly three years due to falling gas and electricity prices, and interest rates at a 16-year peak with hints of upcoming cuts, the financial landscape remains complex yet hopeful. These conditions reaffirm the critical resurgence of the 'Cash is King' philosophy, especially for mid-cap and smaller organisations that need proactive strategies to optimise cash flow and maintain liquidity amidst these changes. This complex financial landscape presents a nuanced picture, especially for mid-cap and smaller organisations, urging them to adopt proactive working capital

strategies to optimise cash flow and maintain liquidity amidst these changing economic tides.

Key Survey Insights:

- **Economic Recovery and Working Capital:** With the UK's recent exit from recession and Rishi Sunak's subsequent election call based on economic improvement, the landscape of working capital management gains a political dimension that may influence business confidence and decision-making. Despite the apparent rapid growth, challenges such as fluctuating inflation and interest rates remain. The PwC study's

findings, indicating improved working capital days in major economies, particularly benefit larger entities, which are better positioned to adapt to these conditions. This scenario underscores the importance of robust working capital management strategies that align with ongoing economic and political shifts.

- **Contrasting Mid-Cap and Smaller Organisations:** In this politically charged economic environment, mid-cap and smaller organisations face heightened challenges. The disparity in working capital ratios and the pace of improvement highlight the need for policies and strategies that are particularly tailored to their unique circumstances. These organisations must navigate not only economic but also potential policy changes that could affect their operational realities. This differentiation emphasises the necessity for targeted support to enable these businesses to effectively manage volatility and leverage recovery phases prompted by political-economic strategies.
- **Supply Chain Adjustments:** The shift from 'just in case' to 'just in time' inventory management reflects deeper strategic changes, influenced by both political decisions and

market conditions. This more efficient approach to inventory control has led to significant reductions in working capital requirements, illustrating how companies are becoming more agile in adapting to the political-economic environment that impacts global supply chains.

- **Persistent Economic Uncertainties:** While there has been some stabilisation, the economic outlook influenced by recent political developments remains uncertain. This ongoing volatility necessitates robust working capital management strategies to safeguard liquidity and enhance resilience against future economic shocks. Companies must remain vigilant and responsive to both macroeconomic and political changes to navigate these uncertainties effectively.

How ERA Can Help:

- **Digital Transformation and Working Capital:** Recognising the shortage of skilled labour, including working capital professionals, ERA advocates for the digitisation of working capital processes. This modern approach doesn't just handle capacity through automation; it



also enhances strategic decision-making with advanced, data-driven analytics that adapt to ongoing economic shifts and policy changes.

- **Navigating Technology Selection:** With a wide range of workflow and ancillary technologies available, selecting the appropriate solutions can be daunting. ERA supports businesses by navigating these complexities, ensuring the seamless integration of the right technologies with existing ERP systems to drive efficiency and effectiveness.

ERA's Targeted Solutions for Mid-Cap and Smaller Organisations:

- **Rapid Cash Improvements:** We focus on unlocking liquidity that is often trapped in working capital, thereby enhancing financial flexibility crucial for navigating uncertain economic times.
- **Operational Process Optimisation:** By streamlining processes related to receivables, payables, and inventories, we help improve operational efficiency, crucial for maintaining competitiveness and agility.
- **Strategic Technology Deployment:** ERA guides

the selection and implementation of cutting-edge digital solutions tailored to optimise working capital management, ensuring that technology investments translate into real business value.

- **Organisational Transformation:** We foster a robust cash culture within organisations through targeted training and strategic implementations, preparing companies to thrive in dynamic market conditions.

WHY Engage with ERA Today:

Mid-cap and smaller organisations encounter unique challenges in working capital management due to limited resources. ERA is dedicated to bridging this gap by offering specialised services tailored to their specific needs. From customised working capital management that leverages sophisticated data analytics to strategic operational model design, ERA equips these firms to not only survive but thrive.

If you represent a mid-cap or smaller organisation and recognise the need for advanced working capital management strategies, ERA is poised to ensure your success is vast, and the only question you'll have is, "Why didn't we do this sooner?"



A Call to Action for Businesses

By Dan Howells

In April 2025, businesses across England are facing significant changes in waste management regulations. In a long-awaited announcement, separation of food waste for collection and phased reduction of General Waste and Mixed Recycling services has been announced.

These changes follow in the footsteps of similar measures implemented in Wales recently, highlighting a nationwide commitment to environmental stewardship.

Simultaneously, in April 2025 the government plans to ramp up the landfill tax rate to £126.15.

For businesses, the implications of these regulatory shifts are profound. Failure to adapt to the new requirements not only risks non-compliance penalties but also poses financial burdens due to increased expenditure on waste. Therefore, proactive measures are imperative to mitigate the impact of these changes and safeguard both the environment and the bottom line.



Environmental Performance and Taxation

Understanding the rationale behind these regulatory changes is crucial for businesses to grasp the urgency of action. The separation of food waste for collection aligns with broader efforts to minimise landfill waste and promote recycling and composting. Food waste, in particular, poses a significant environmental challenge, contributing to greenhouse gas emissions and squandering valuable resources.

Moreover, the escalation of landfill tax rates underscores the government's commitment to discouraging reliance on landfill disposal. Landfill is not only environmentally harmful but also economically unsustainable in the long run. Higher landfill taxes aim to reflect the true environmental cost of waste disposal, nudging businesses towards alternative waste management strategies that prioritise resource recovery and circular economy principles.

Although not announced, it would be naïve to believe that these measures will not be followed by further announcements. We are increasingly seeing a link between environmental performance

and taxation. With Extended Producer Responsibility likely to implement in full next year, businesses are running out of time to take control of this cost category, to ensure that they are not exposed.

Next Steps

Businesses must take proactive steps to adapt their waste management practices. Here are some actionable strategies to navigate the evolving regulatory landscape:

- **Conduct a Waste Audit:** Start by assessing your current waste streams to identify opportunities for improvement. Understanding the composition of your waste can guide targeted interventions and optimise resource allocation.
- **Implement Source Segregation:** Establish separate bins or containers for different types of waste, including food waste, recyclables, and non-recyclables. Educate employees about proper segregation practices to minimise contamination and maximise recovery rates.



- **Invest in Infrastructure:** Consider investing in on-site composting or anaerobic digestion facilities to process food waste locally. Alternatively, explore partnerships with external waste management providers equipped to handle organic waste streams.

- **Educate and Engage Employees:** Foster a culture of waste reduction and sustainability within your organisation by providing training and raising awareness about the importance of proper waste management practices. Encourage employee participation and feedback to drive continuous improvement.

- **Explore Circular Economy Solutions:** Embrace innovative approaches such as product redesign, reuse, and remanufacturing to minimise waste generation and maximise resource efficiency throughout your value chain.

- **Stay Informed and Adapt:** Keep abreast of evolving regulations and industry best practices to ensure ongoing compliance and optimisation of your waste management strategies. Flexibility and adaptability are key in navigating the dynamic landscape of waste management.

By proactively addressing these recommendations, businesses can not only comply with regulatory requirements but also unlock opportunities for cost savings, environmental stewardship, and enhanced reputation. Embracing sustainable waste management practices shouldn't merely be a regulatory obligation but a strategic imperative in today's increasingly eco-conscious business environment.

The Time to Act is Now

In conclusion, the impending changes to waste management laws underscore the urgent need for businesses to take action now. By prioritising waste reduction, segregation, and resource recovery, businesses can mitigate the financial impact of increased landfill taxes while demonstrating their commitment to environmental sustainability. Embracing this paradigm shift towards a circular economy not only safeguards the planet for future generations but also fosters resilience and competitiveness in an ever-evolving market landscape. The time to act is now.

MarketINTEL

Insight and market analysis to achieve better value from suppliers



The knowledge that ERA has within its network of specialists is undeniably impressive. In every category of spend we were given useful insights which informed our decisions at every step. We continue to work with ERA and will recommend their work in the future. ”

JEEVAN KARIR,
CHIEF FINANCIAL OFFICER,
TAPI CARPETS AND FLOORING



Having a dedicated specialist auditing our expenditure following the tender process has ensured the real value of supplier consolidation has been achieved and that it is a sustainable and workable solution ”

ALAN HUTCHINSON,
FACILITIES DIRECTOR,
HOWARD KENNEDY



ERA have delivered incredibly valuable savings and supplier consolidation. This has given us much better control and efficiencies, and a level of insight to our spend which is priceless. ”

TOM RUMBOLL,
CHIEF EXECUTIVE OFFICER,
SYNETIQ



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