PEARL Case Study Template

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Case Study Identification

Case Study Title: Company J.

Partner Institution: ATU Letterkenny.

Country: Ireland

Sector /Industry: Financial Services

SME Profile:

Company size (micro / small / medium):
Medium sized firm employing over 90 staff.

Ownership structure (family-owned, partnership, etc.):
Company is a limited company which acts as a holding company with five operational companies – these reflect the original company and the 4 recent acquisitions.
The Holding company has two shareholders - the founder(87.2% and one other(12.5%).
Holding company has a board of directors – non-executive and executive.

Market scope (local / regional / international):
National and international (60%/40%)

2. Relevant PEARL Curriculum Module(s)

*(**Select one primary module and, if relevant, secondary modules:** Module 1 – Introduction to ESG, Module 2 – ESG Onboarding, Vision and Responsibility, Module 3 – ESG Risk Analysis and Materiality Assessment, Module 4 – ESG Strategy and Implementation, Module 5 – Reporting, Communication and Branding, Module 6 – Sustainable Financing and Funding Options for SMEs)*

Primary Module: Module 05 – Reporting, Communication and Branding

Secondary Modules:
Module 04 – ESG Strategy & Implementation (core structure + KPIs)
Module 02 – ESG Onboarding (team alignment, leadership change)

3. Learning Purpose of the Case

What ESG challenge, decision, or dilemma does this case illustrate?

How to structure a traditional accountancy firm so that it can expand rapidly and develop in national and international markets and be commercially sustainable into the future.

It addresses how an owner founder struggles with learning to acknowledge that they do not have all the knowledge and that they need to be open to external expertise.

Why is this case relevant for SMEs?

It demonstrates the journey that many owner managers of SMEs are reluctant to take and therefore their businesses never expand beyond a certain point .

The case study also highlights the challenges facing owner managers as they move from being a micro firm to a medium sized firm, the need to learn and adapt quickly, acknowledge the need for external know-how to overcome internal capability shortfalls and the need for strategic direction.

Which competence gaps (knowledge, skills, attitudes) does it address?

Management capability.
Functional skills and capability.
Governance skills.
Reflective and open mindset.

4. Case Context and Background

Provide a concise but concrete description of the SME's situation:

(Business model and core activities, ESG maturity level at the start of the case, Regulatory, market, or stakeholder pressure (if any), Key internal constraints (resources, knowledge, resistance, finance)

Company J is an online accountancy firm employing over 90 staff, with a T/O of €7M and has 60% of its sales in the ROI and 40% in export markets. The company operates from 5 locations in Ireland and also has staff in South Africa and India. The company provides a range of financial, business advice and company compliance services to small and medium firms.

Originally a traditional accountancy firm but with a strong focus on developing online services to new start-up firms, the firm identified an opportunity to expand its services after the Brexit vote, and in particular to focus on assisting firms set up in Ireland rather than the UK. With external investor funding and additional marketing capability, the company sought to increase its sales to over €2M within 3 years. At that stage the owner believed there was still significant growth potential in the business – she bought out the investors, set-up a holding company and a bord of directors. The directors were identified based on their particular skills and experience e.g. marketing, HR and communications, technology etc.. Over the past two years the company has been identifying acquisitions and has in the last 6 months acquired 4 new accountancy firms in Ireland.

5. ESG Challenge / Problem Statement

Clearly describe the central ESG-related issue, for example:

(Lack of ESG awareness or strategy, Need for ESG onboarding and internal alignment, ESG risks in the value chain, Materiality prioritisation challenges, ESG reporting and communication difficulties, Financing ESG investments)

The key ESG challenge faced by this company was how it could structure itself so as to be capable of long-term growth and sustainability - so the challenge was one of governance.

In 2017 the firm had a turnover of circa €300K and was trying to develop its sales through targeting new-start up firms. But many new start-up firms fail. With external investment in late 2016 and additional marketing capability brought into the firm by investors, and a new focus on overseas clients, the company grew rapidly to over €2M Turnover with an initial aim of an exit sale after 3 years.

However, the founding owner believing there was significant additional potential in the firm, bought out the original investors and restructured the firm as outlined above. This was not done without a lot of learning by the owner CEO, drawing on the expertise and experience of the new board and in leading and inspiring the staff as the firm grew. Annual growth has been 14-17% p.a.

A key success factor has been the active engagement by the Board and staff in the setting of 5 year goals and objectives, annual targets and performance indicators. There is also a strong management structure within the company – the board of directors which gives strategic direction and leadership, a Senior Management Team of 6 functional heads and a 16 person operational management team. The board structure, marketing and IT departments are overheads not common in traditional accountancy firms and the firm consequently needs to work harder to achieve standard accountancy KPIs which are currently slightly below what the standards are for such KPIs as return per employee, return per clients, EBITA etc.

6. Data, Evidence, and Inputs

(Use realistic but simplified data where needed)

(ESG-related qualitative information, Basic quantitative indicators (where applicable), Stakeholder inputs or assumptions, Regulatory or market references (e.g. CSRD, VSME, customer demands)

Standard accountancy performance standards such as return per employee, return per clients, EBIT etc. – these are currently short of the accepted standards due to the additional capital investment in the business.

Annual growth rate of 14-17% over recent years.

4 New acquisitions o=in the past 6 months- the firm seeks to grow organically, through enhanced technology and by growing exports and acquisitions.

7. Suggested Tools from the PEARL Toolbox

Indicate which PEARL tools can be applied in this case and how?

- *Industry & Competitor Check (M1)*
- *ESG Team Setup & Responsibilities (M2)*
- *Stakeholder Analysis (Internal & External) (M2)*
- *Value Chain Analysis (M3)*
- *ESG Impact Assessment Matrix (M3)*
- *ESG Materiality Analysis (M3)*
- *PDCA Template for ESG Governance (M4)*
- *Supplier Mapping with Matrix (M4)*
- *ESG Key Metrics Overview for SMEs Topics(M4)*
- *Template for ESG Report (VSME Standard) (M5)*
- *ESG Communication Guide for SMEs (M5)*
- *Project Milestone Plan for ESG Integration (M2)*
- *Onboarding Tool for Internal Decision-Makers(M2)*
- *ESG Gap Analysis (M3)*
- *ESG Risk-Opportunity Matrix (M3)*
- *Climate Risk Check for SMEs (M3)*
- *Supply Chain Risk Check (M3)*
- *CO_2 Footprint Overview for SMEs (M4)*
- *Diversity Datapoints (M4)*
- *OKR Framework for ESG Goals with Top 5 ESG VSME Standard) (M4)*
- *Sustainable Finance Options for SMEs (M6)*

Primarily:
- PDCA Template for ESG Governance (M4)
- OKR Framework for ESG Goals (M4)
- ESG Key Metrics Overview for SMEs (M4)
- Supplier Mapping with Matrix (M4)
- Diversity Datapoints (M4) ALSO
- ESG Gap Analysis (M3)
- ESG Risk-Opportunity Matrix (M3)
- Value Chain Analysis (M3)
- ESG Team Setup & Responsibilities (M2)

pearl
Promoting ESG Awareness
+ Risk Literacy in SMEs

8. Expected Learning Outcomes

After working on this case, which KSAs will learners be able to develop?

(Aligned with Related competences (ref.PEARL framework)

Knowledge (Module 4)
Understand how to **design and implement ESG strategies** in a scaling SME.
Recognise the importance of **governance structures (board, leadership, roles)** in achieving sustainable growth.
Understand how ESG strategy aligns with **business expansion, acquisitions, and internationalisation**.
Gain awareness of how ESG links to **performance measurement and long-term value creation**.
Skills (Module 4)
Develop and apply **ESG strategies aligned with business growth objectives**.
Translate ESG strategy into **practical actions, KPIs, and governance mechanisms**.
Use tools such as **OKRs and PDCA cycles** to implement and monitor ESG initiatives.
Integrate ESG into **strategic decision-making at board and senior management level**.
Align ESG initiatives with **operational structures across multiple business units**.
Attitudes / Competences (Module 4)
Adopt a **strategic and forward-looking mindset** toward ESG and business sustainability.
Demonstrate **openness to external expertise and continuous learning** (key founder challenge).
Build **leadership accountability for ESG implementation**.
Foster a **culture of structured decision-making and continuous improvement**.
Embrace **change management and organisational adaptation** during growth.
Also - Sustainable Finance (Module 6)
Understand how ESG strategy supports **access to sustainable finance and investment readiness**.
Recognise the role of ESG in **enhancing credibility with investors and stakeholders**.

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