

STRATEGIC CAPACITY REPORT

Creating Predictable Profits, Sustainable Growth & Transferable Value

prepared for

Stackflow

Best-in-class operations have high Strategic Capacity. Here is how your business scores.

Understanding your Strategic Capacity is critical for fine-tuning your business so that it can deliver your goals. Congratulations, you've taken the first step.

Prepared for:	Jack Stack
Business Name:	Stackflow
Industry:	Manufacturing (31-33)
Gross Revenue:	\$10,000,000.00
Profit:	\$1,000,000.00
Headcount:	50
Email:	tonyasmithconsulting@gmail.com
Mobile Phone:	

Goals:

Stabilize Cashflow

Grow Revenues

Prepare for Sale

Make Business Easier to Run

Your #1 Goal: This is your strategic intent

Stabilize Cashflow

Grow Revenues

Prepare for Sale

Make Business Easier to Run

Your top bottleneck:

Strategic Capacity

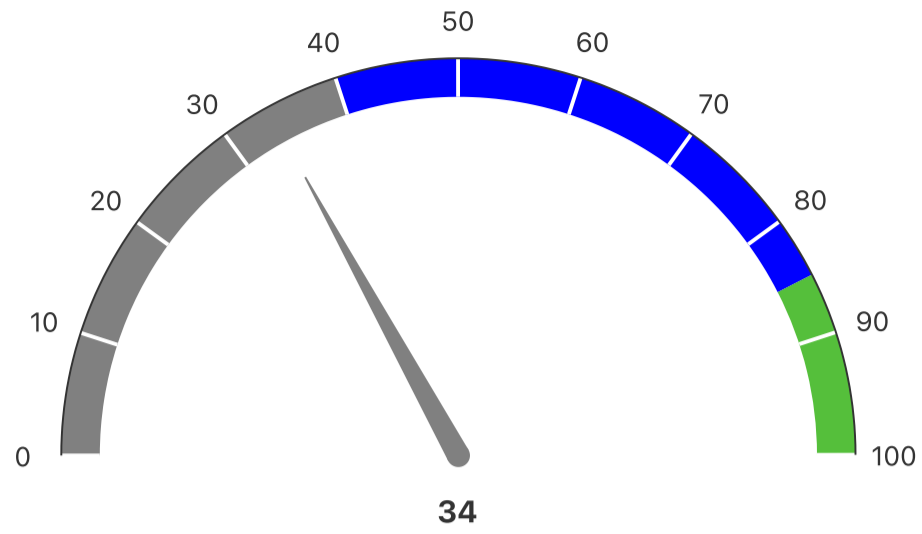
- **Strategic Capacity** describes a business' ability to outperform its peers at delivering growing profits and maximized transferable value. The two contributors to Strategic Capacity are Growth Capacity and Value Capacity. Strategic Capacity should be considered in the same context as the discount rate in a Discounted Cash Flow (DCF) valuation: high Strategic Capacity creates a low discount rate
- **Growth Capacity:** a business' current ability to predictably grow profits and cash flow compared to best-in-class companies
- **Value Capacity** predicts M&A transaction readiness. Value Capacity is a business' current ability to deliver high transferable value, considering accepted due diligence standards for a successful M&A or similar transaction.
- The Strategic Capacity score compares this business to best-in-class operations

- Best-in-Class businesses typically score above 85 of 100, indicating they have high capacity to generate predictable cash flow, sustainable growth and can maximize transferable value

These businesses demonstrate strength in the three dimensions of business growth and typically

1. out-compete on positive cash flow
2. are operationally efficient (easier to run), and
3. are more likely to earn top multiples in an M&A or similar transaction

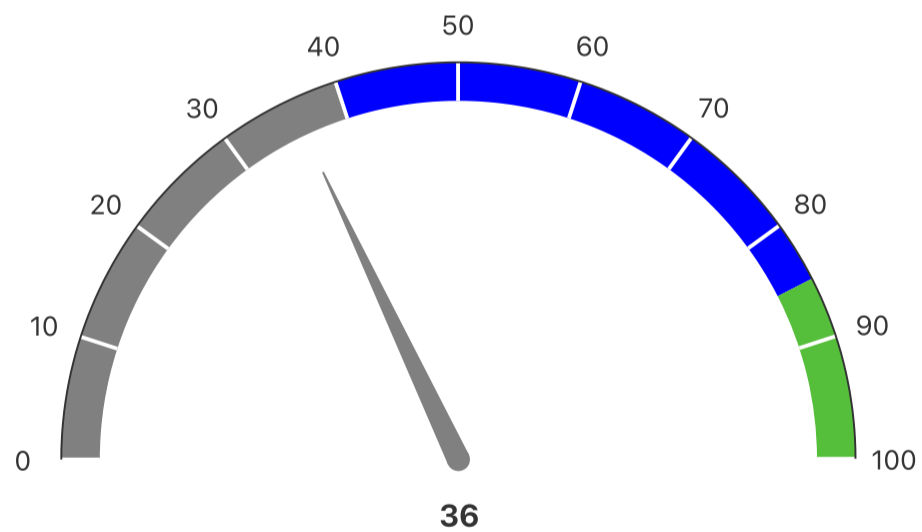
STRATEGIC CAPACITY REPORT



Strategic Capacity: 34

- ✓ Become a best-in-class competitor by increasing your strategic capacity
- ✓ You will create a business engine that delivers predictable profits and growth, with high transferable value
- ✓ Leading your business to become a best-in-class competitor also generates wealth and peace of mind

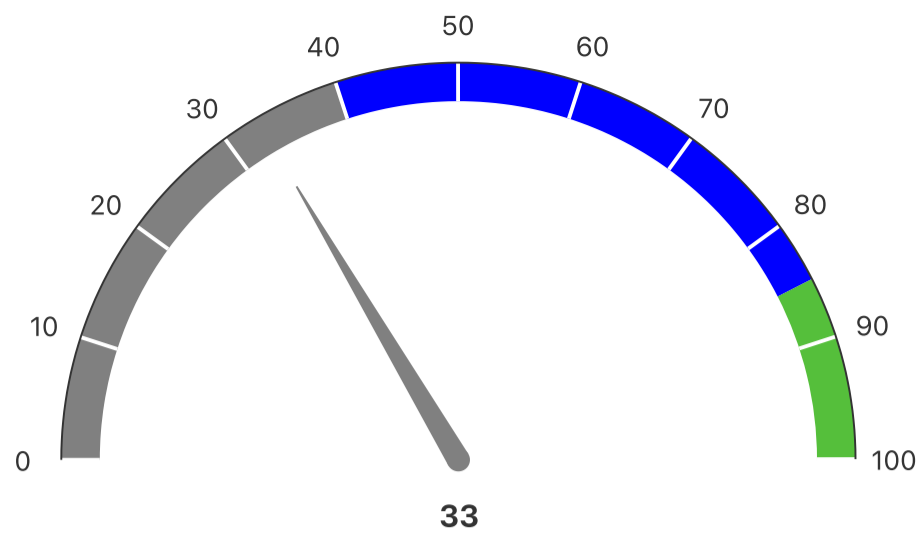
STRATEGIC ELEMENT 1: GROWTH CAPACITY



Growth Capacity: 36

Growth Capacity scores your business' current ability to deliver sustainable growth compared to best-in-class operations.

STRATEGIC ELEMENT 2: VALUE CAPACITY



Value Capacity: 33

Value Capacity predicts M&A transaction readiness. Value Capacity scores your business' current ability to monetize equity value.

Range of Value and Strategic Capacity

1. Strategic Capacity impacts positive cash flow, growth and transferable value
2. For every industry there is a normalized M&A trading range of multiples, for example 2X-6X earnings (Gross Revenues or EBITDA, depending on the industry)
3. EBITDA is Earnings before Interest, Tax, Depreciation and Amortization

Understanding the Range of Value Chart:

1. **The upper-right box** shows the calculation of value for the respondent business at the top multiple. **This is the total existing value of the business**; financial acquirers (such as Private Equity Groups, 3rd parties and Recapitalization) generally discount total existing value to account for company-specific risk aka Strategic Capacity
2. **The lower-right box** shows the calculation of value for the respondent business at the representative low multiple; lower multiples are applied to businesses whose risk profile is at the low end of acceptable investment parameters
3. **'Current Transferable Value'** is a calculation of the business value net of company-specific risk, and correlates to the price that might be offered after completing due diligence in an M&A or similar transaction; it is calculated by applying Strategic Capacity to the total value at the top end of the normalized range of trading multiples
4. **Increasing Strategic Capacity can increase transferable value**

Market Perspective of Transferable Value: Range of Value

Transferable Value at High Strategic Capacity	Current Transferable Value	Value Gap
\$ 6,010,000	\$ 2,043,400	\$ 3,966,600

IMPACT OF STRATEGIC CAPACITY ON TRANSFERABLE VALUE				HIGH STRATEGIC CAPACITY
Value Capacity Score	>85	\$ 894,000	\$ 4,045,500	\$ 6,010,000
	40-85	\$ 447,000	\$ 3,005,000	\$ 4,495,000
	<40	\$ 0.00	\$ 1,788,000	\$ 2,980,000
		Growth Capacity Score		
	LOW STRATEGIC CAPACITY	<40	40-85	>85
		Higher Scores Increase Confidence In Future Performance		

Note: Calculation of value for business planning purposes. Not a formal valuation.

Strategic Capacity: 34
 Growth Capacity: 36
 Value Capacity: 33

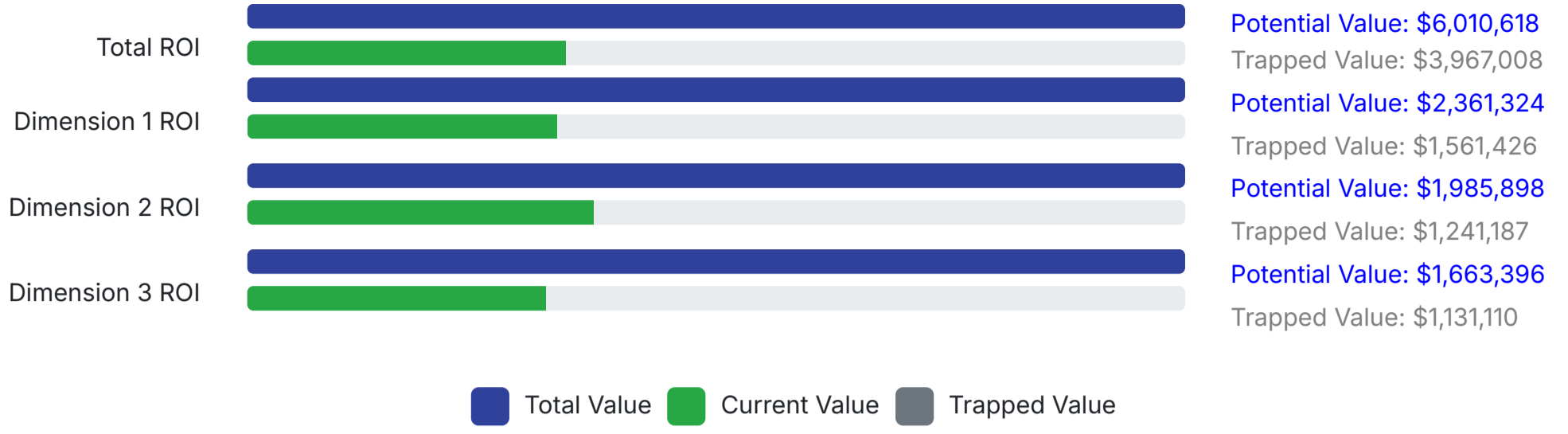
Return on Investment (ROI) from increasing Strategic Capacity

1. Investments of time and dollars to increase Strategic Capacity and mitigate company-specific risks tend to increase transferable value
2. Your return on these investments (ROI) is the dollar value captured and created from attaining high Strategic Capacity; ROI is calculated by subtracting transferable value from the existing top value of the business

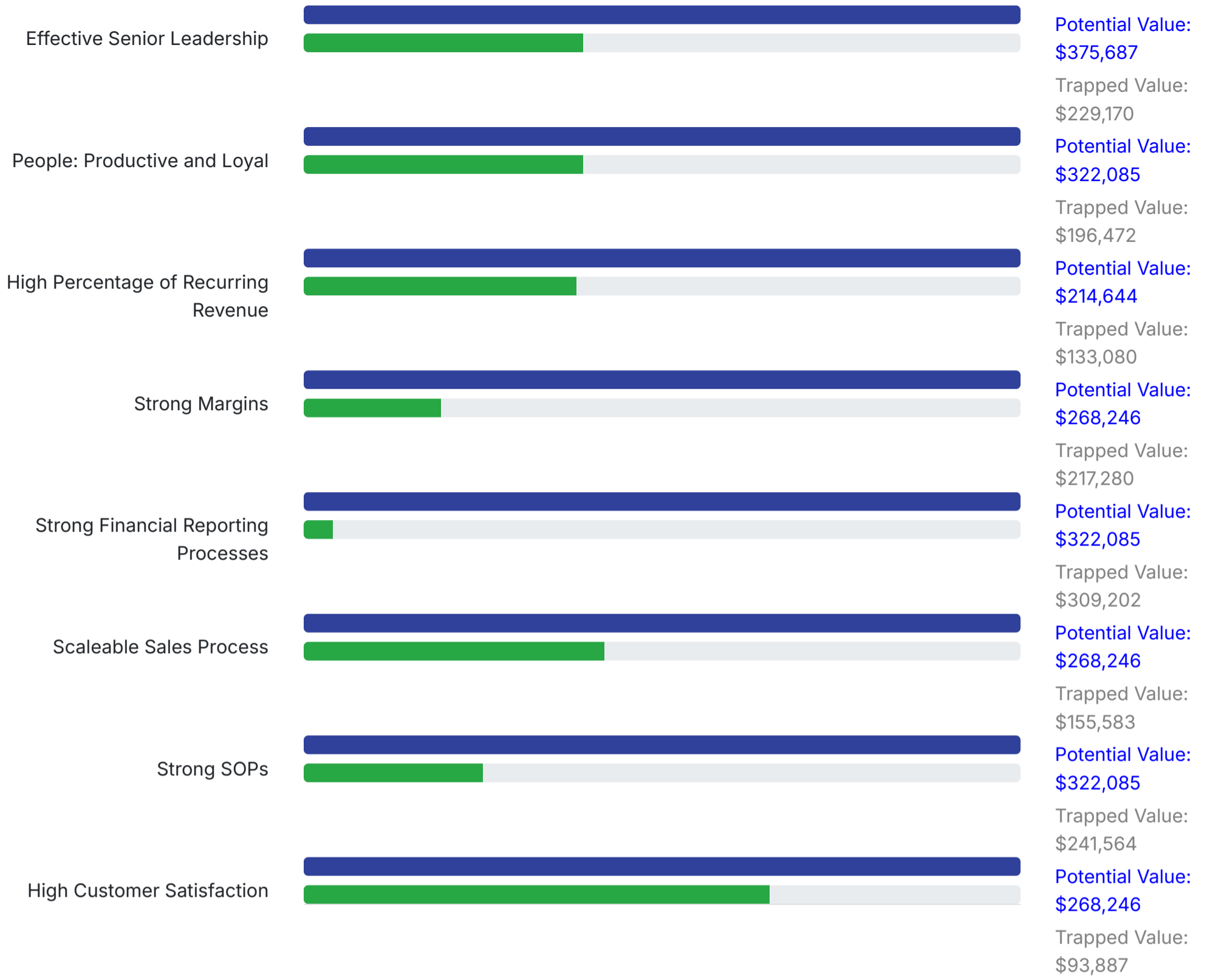
$$\text{ROI} = \text{Top Value} - \text{Transferable Value}$$
3. The total ROI is the total cost of risk and can logically be allocated between the various contributors to total risk

Chart: Total ROI and ROI allocated among the three dimensions of business growth:

Total Dimension Value

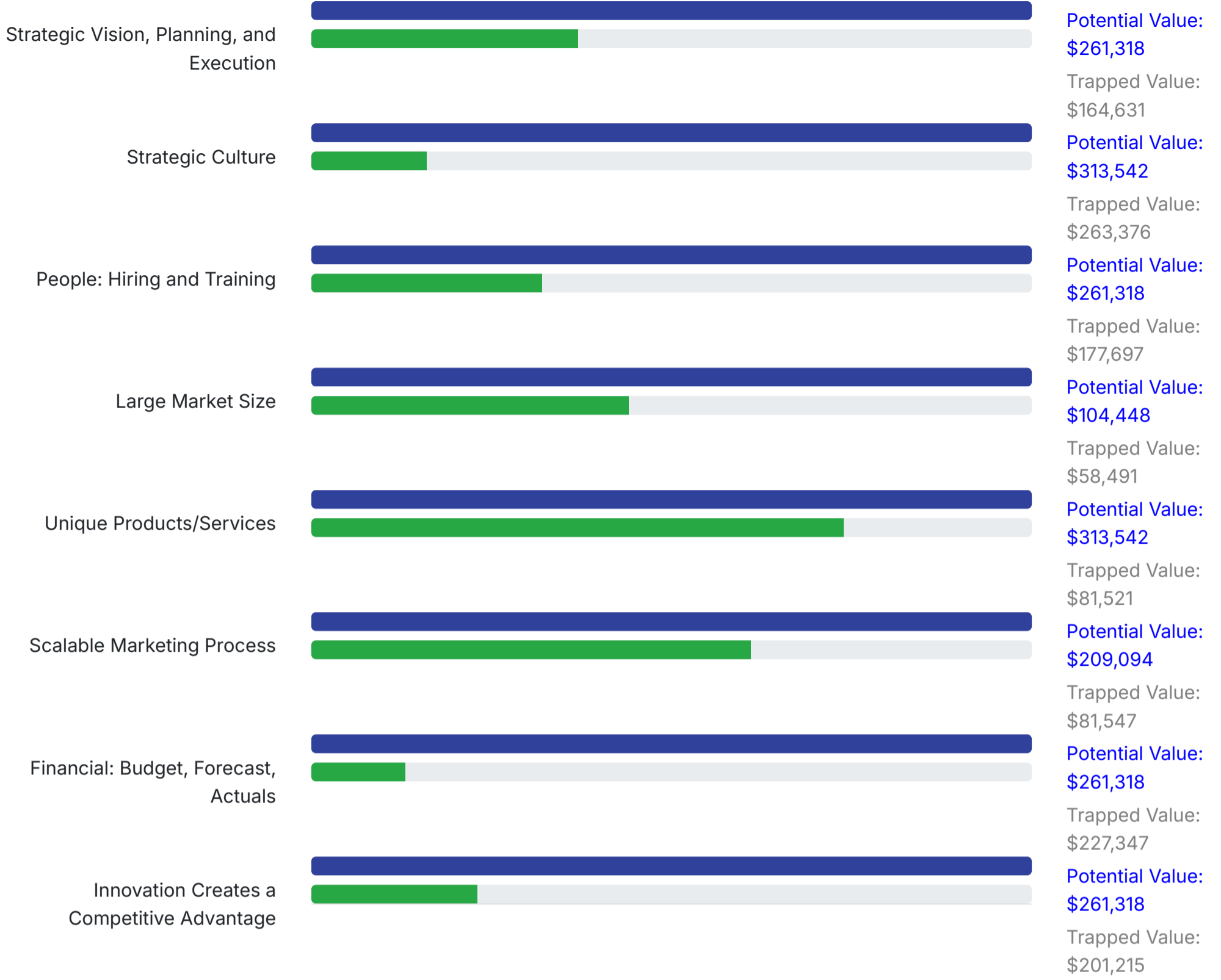


Dimension 1



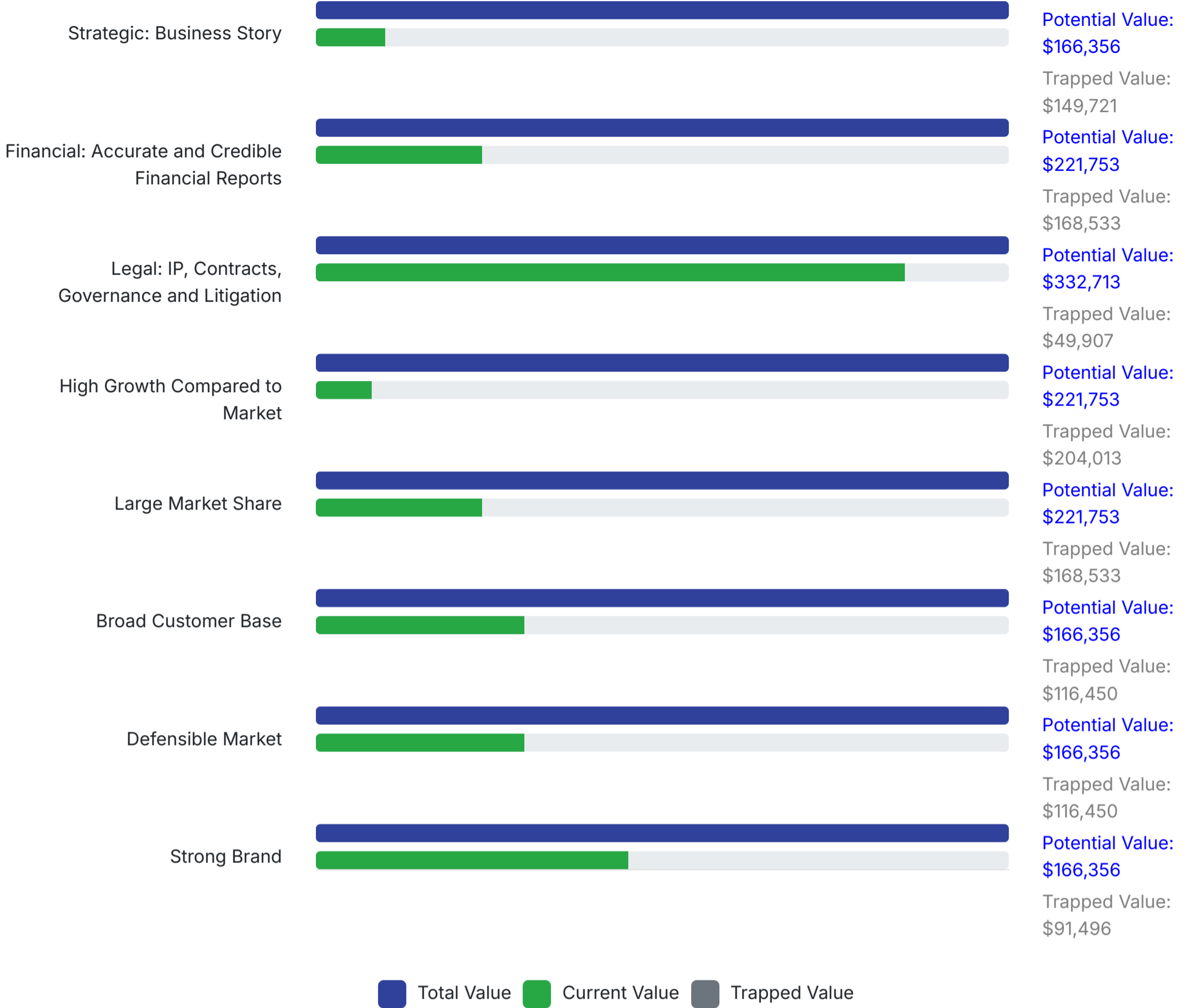
■ Total Value ■ Current Value ■ Trapped Value

Dimension 2



■ Total Value ■ Current Value ■ Trapped Value

Dimension 3



Analysis for Individual Growth-Driving Objectives

1. The following analysis compares how the subject business' compares with generally accepted best practices
2. Best practices are described using the proven OKR methodology
3. OKRs, which stands for "Objectives and Key Results," is a goal-setting methodology used to set and track measurable goals for teams and organizations. The main components of OKRs are:
 - a. Objectives: These are qualitative descriptions of what you want to achieve; they are aspirational and provide direction to teams; each Objective includes constituent Key Results
 - b. Key Results: These are quantitative measures used to track the achievement of the objective; they are metrics that indicate progress toward accomplishing the objective
4. OKRs help in creating alignment and engagement around measurable goals and are often incorporated by leadership to execute strategy and ensure everyone is working towards common goals
5. In our system there are twenty four growth-driving objectives (eight in each of the three dimensions of business growth) each with an average of five constituent key results

Current Best Practices, Growth Killers and Deal Killers

Your Survey Highlights:

Current Best Practices:

Legal: IP, Contracts, Governance and Litigation

Growth Killers: Business is below best practices in

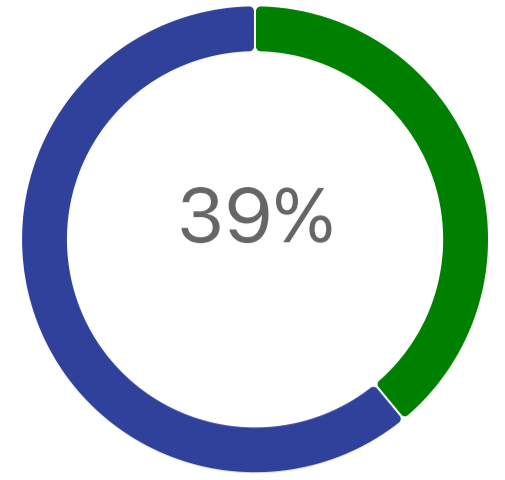
Effective-Senior-Leadership
People: Productive and Loyal
High Percentage of Recurring Revenue
Strong Margins
Financial Reporting Processes
Scaleable Sales Process
Strong SOPs
Strategic Vision, Planning, and Execution
Strategic Culture
People: Hiring and Training
Large Market Size
Financial: Budget, Forecast, Actuals
Innovation Creates a Competitive Advantage
Broad Customer Base

Deal Killers: Business is below best practices in

Effective-Senior-Leadership
High Percentage of Recurring Revenue
Strong Margins
Strategic Vision, Planning, and Execution
Large Market Size
Strategic: Business Story
Financial: Accurate and Credible Financial Reports
Legal: IP, Contracts, Governance and Litigation
High Growth Compared to Market
Large Market Share
Broad Customer Base
Defensible Market
Strong Brand

Effective Senior Leadership

Growth-Driving Objective: our business has an effective leadership team that is aligned with and accountable to the business' vision and mission, helping the shareholders achieve their objectives.



Effective Senior Leadership

ROI: Reaching this Objective Adds **\$375,687** to Transferable Equity Value

YOUR SCORE:
39

ROI FROM INCREASING CAPACITY:
\$375,687

Effective Senior Leadership



Potential Value:
\$375,687

Trapped Value:
\$229,170

Score compared to Best-In-Class:

Effective Senior Leadership



■ Total Value **■** Current Value **■** Trapped Value

Effective Senior Leadership

Your business has an effective leadership team that is aligned with and accountable to the business' vision and mission, helping the shareholders achieve their objectives.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The shareholders have written time-bound goals for the business which are shared with the senior leadership team.

True and we can document

More true than not

Mostly false

Not true

The senior leadership team understands and is aligned with the shareholder goals.

True and we can document

More true than not

Mostly false

Not true

Senior leadership is accountable to the business vision, mission and strategy.

True and we can document

More true than not

Mostly false

Not true

Senior leadership is accountable to the shareholder goals.

True and we can document

More true than not

Mostly false

Not true

Senior leadership meets regularly to review and discuss progress towards the shareholder goals.

Senior leadership meets weekly and keeps reports

More true than not

Mostly false

Not true

The business runs smoothly in the CEO's absence.

The CEO can take a prolonged absence without disrupting positive business performance

More true than not

Mostly false

Not true

The business has a succession plan for each senior leader.

True and we have a document that is up-to-date

More true than not

Mostly false

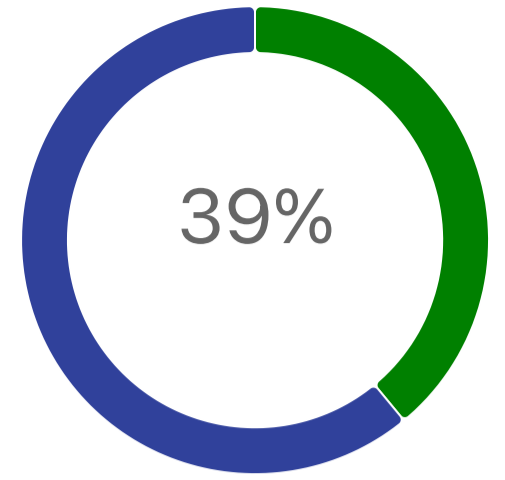
Not true

Effective Senior Leadership Team

- Why this matters to a private business CEO: Bottom line up front, best-in-class businesses leverage the collaborative accountability of a leadership team rather than of a single individual. The fundamental role of the CEO is to maximize shareholder value within the context of the business' vision and mission; the leadership team is accountable for operations and results. The team is guided by a clearly defined vision and mission that provide a sense of purpose. In turn, strategic objectives help set priorities for executing the mission. Effective communication of the vision, mission and strategy ensures alignment throughout the organization, driving motivation and focus. Encouraging shareholder involvement fosters transparency and accountability, ultimately enhancing the company's profit and value performance. Top businesses have a succession plan that ensures business continuity by identifying and grooming future leaders, reducing risks associated with leadership transitions.

People: Productive and Loyal

Growth-Driving Objective: Every employee and contractor understands their role and the metrics defining their success, both individually and for their team contributing to the business.



People: Productive and Loyal

ROI: Reaching this Objective Adds **\$322,085** to Transferable Equity Value

YOUR SCORE:
39

ROI FROM INCREASING CAPACITY:
\$322,085

People: Productive and Loyal



Potential Value:
\$322,085

Trapped Value:
\$196,472

Score compared to Best-In-Class:

People: Productive and Loyal



■ Total Value ■ Current Value ■ Trapped Value

People: Productive and Loyal

Every employee and contractor understands their role and the metrics defining their success, both individually and for their team contributing to the business.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

Employees can explain in 1-2 sentences the businesses mission, strategy and goals and their role in executing them.

True and we can document

More true than not

Mostly false

Not true

For every employee and contractor the exists a written role, accountabilities and function mapping.

True and we can document

More true than not

Mostly false

Not true

Every employee and contractor understands the one number that defines success in their role; these metrics are documented.

True and we can document

More true than not

Mostly false

Not true

Every employee and contractor is a member of a team and every team has documented metrics that define its success.

True and we can document

More true than not

Mostly false

Not true

Every team meets frequently to review and discuss progress towards business goals.

Every team meets weekly and keeps reports

More true than not

Mostly false

Not true

Compensation and benefits for all employees are in line with industry norms and include performance-based incentives.

True and we can document

More true than not

Mostly false

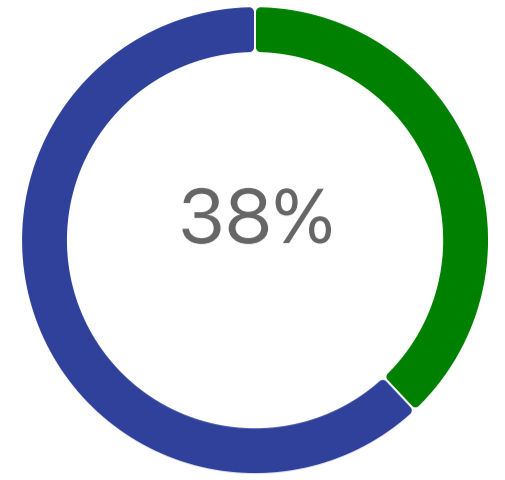
Not true

People: Productive and Loyal

- Why this matters to a private business CEO: A skilled and loyal workforce is vital for sustained success. Training and upskilling programs enhance employee productivity and expertise, directly impacting the bottom line. Feedback systems clarify role expectations, reducing misunderstandings and inefficiencies. Team meetings align employees with the business mission and strategy, promoting a unified and motivated workforce.

High Percentage of Recurring Revenue

Growth-Driving Objective: Your business can predict a significant portion of future revenue from customers through contracts or other means.



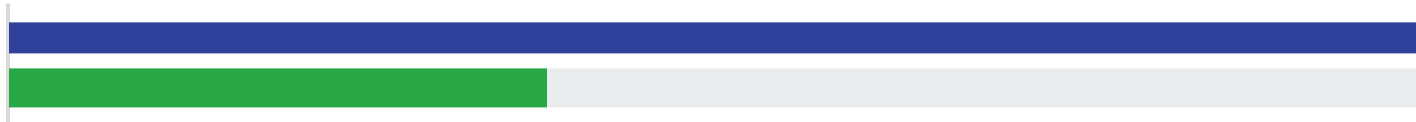
High Percentage of Recurring Revenue

ROI: Reaching this Objective Adds **\$214,644** to Transferable Equity Value

YOUR SCORE:
38

ROI FROM INCREASING CAPACITY:
\$214,644

High Percentage of Recurring Revenue



Potential Value:
\$214,644

Trapped Value:
\$133,080

Score compared to Best-In-Class:

High Percentage of Recurring Revenue



■ Total Value **■** Current Value **■** Trapped Value

High Percentage of Recurring Revenue

Your business can predict a significant portion of future revenue from customers through contracts or other means.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business can predict 50% (good) to 80% (better) of future revenue through contracts or other means.

We can predict 80% or more

We can predict 50%

We can predict 20%

We can't

The business uses contracts, loyalty programs, retained methods of payment, automatic renewals and other strategies to ensure a high percentage of predictable revenues.

True and we can document

More true than not

Mostly false

Not true

The business leverages customer relationships to maximize predictable recurring revenues.

True and we can document

More true than not

Mostly false

Not true

The business can defend 3 or more reasons why it will generate a high percentage of recurring revenues going into the future.

We can document and defend 3 or more

We can document and defend 2

We can document and defend 1

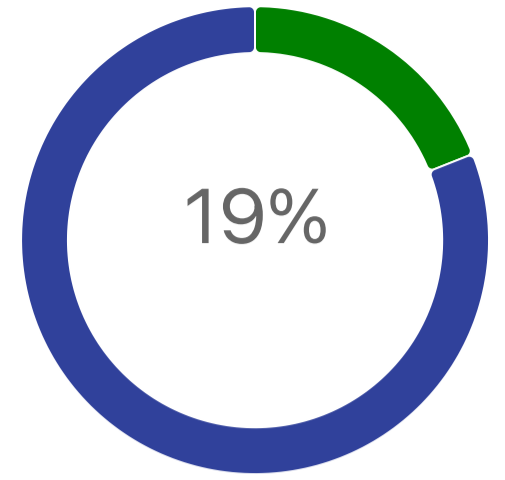
We cannot

High Percentage of Recurring Revenue

- Why this matters to a private business CEO: Recurring revenue stabilizes cash flow, providing financial predictability. Implementing auto-renewal systems ensures ongoing customer retention. Loyalty programs incentivize long-term commitment, reducing customer churn. Offering long-term contracts with benefits secures revenue streams, enhancing financial stability.

Strong Margins

Growth-Driving Objective: Your business has a history of gross and net margins greater than the industry norm.



Strong Margins

ROI: Reaching this Objective Adds **\$268,246** to Transferable Equity Value

YOUR SCORE:
19

ROI FROM INCREASING CAPACITY:
\$268,246

Strong Margins



Potential Value:
\$268,246

Trapped Value:
\$217,280

Score compared to Best-In-Class:

Strong Margins



■ Total Value **■** Current Value **■** Trapped Value

Strong Margins

Your business has a history of gross and net margins greater than the industry norm.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business documents its gross and net margins.

True and we can document

More true than not

Mostly false

Not true

The business documents gross and net margins for its industry and niche.

True and we can document

More true than not

Mostly false

Not true

The business has gross margins above its industry and niche.

We are >20% above and can prove it

We are ~10% above and can prove it

We are at standards

We are below

The business has net margins above its industry and niche.

We are >20% above and can prove it

We are ~10% above and can prove it

We are at standards

We are below

The business can state 3 reasons it can defend forecasts of future gross and net margins at or above its industry and niche.

We can document and defend 3 or more

We can document and defend 2

We can document and defend 1

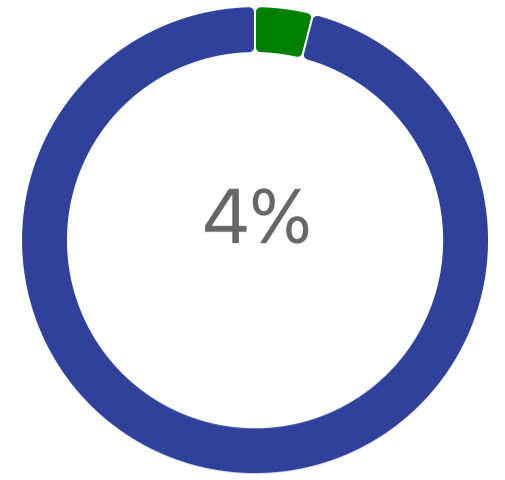
We cannot

Strong Margins

- Why this matters to a private business CEO: Strong margins are essential for profitability and sustainability. Cost-reduction strategies improve the bottom line without compromising quality. Regular benchmarking helps maintain competitive pricing. Innovations can justify higher prices, increasing profit margins and competitiveness.

Financial Reporting Processes

Growth-Driving Objective: You regularly prepare and share P&L, Balance Sheet and Cash Flow reports; and weekly you prepare, distribute and discuss Flash Reports tracking the key metrics needed to analyze and predict business performance as a tool for reaching business goals.



Financial Reporting Processes

ROI: Reaching this Objective Adds **\$322,085** to Transferable Equity Value

YOUR SCORE:

4

ROI FROM INCREASING CAPACITY:

\$322,085

Financial Reporting Processes



Potential Value:
\$322,085

Trapped Value:
\$309,202

Score compared to Best-In-Class:

Financial Reporting Processes



■ Total Value ■ Current Value ■ Trapped Value

Financial Reporting Processes

You regularly prepare and share P&L, Balance Sheet and Cash Flow reports; and weekly you prepare, distribute and discuss Flash Reports tracking the key metrics needed to analyze and predict business performance as a tool for reaching business goals.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

You follow industry best practices for preparing financial and operating reports.

- We understand and follow best practices
- More true than not
- Mostly false
- We don't know what industry best practices are.

The Chart of Accounts reflects the business you are in.

- True and we can document
- More true than not
- Mostly false
- Not true

The business prepares and shares the P&L and Balance Sheet within 10 days of each month's end.

- True and we're confident these are 100% accurate
- More true than not
- Mostly false
- Not true

The business prepares and shares the Cash Flow Report on the same day every week.

- True and we're confident these are 100% accurate
- More true than not
- Mostly false
- Not true

The business prepares and shares a weekly one page Flash Report tracking key performance indicators; previous reports are stored.

- True and we can document
- More true than not
- Mostly false
- Not true

Senior leadership discusses the weekly Flash Report and it is used to manage the business.

- Yes
- More true than not
- Mostly false
- Not true

The business tracks revenue and profitability by product or service, and for each client

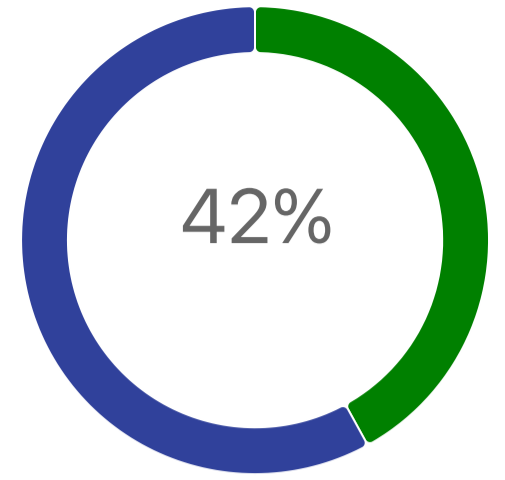
- True and we have the data to prove it
- More true than not
- Mostly false

Financial Reporting Processes

- Why this matters to a private business CEO: Accurate financial reporting and tracking KPIs enables informed decision-making. Best-in-class businesses have internal trust and transparency and use a weekly scorecard to measure business flow. Scorecards can promote collaborative accountability in the senior leadership team, increasing performance and reducing reliance on the CEO. Modern software streamlines reporting, saving time and reducing errors. Regular financial reviews ensure performance aligns with goals. Training the finance team ensures compliance with industry best practices, reducing financial risks.

Scaleable Sales Process

Growth-Driving Objective: You have a documented sales process with a proven track record of success that is universally applied and scalable.



Scaleable Sales Process

ROI: Reaching this Objective Adds **\$268,246** to Transferable Equity Value

YOUR SCORE:
42

ROI FROM INCREASING CAPACITY:
\$268,246

Scaleable Sales Process



Potential Value:
\$268,246

Trapped Value:
\$155,583

Score compared to Best-In-Class:

Scaleable Sales Process



■ Total Value ■ Current Value ■ Trapped Value

Scaleable Sales Process

You have a documented sales process with a proven track record of success that is universally applied and scalable.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business uses a written sales plan.

We have a written plan to which all of sales is accountable

More true than not

Mostly false

We don't have a sales plan

The business uses a written sales process.

We have a written process that everyone follows

More true than not

Mostly false

Our sales come from people, not process

The business uses and tracks sales performance metrics.

We measure process effectiveness with written metrics and compensation considers performance

More true than not

Mostly false

We don't use performance metrics other than revenues.

The sales team actively uses an up-to-date customer relationship management software (CRM) to track prospects and customers at every stage of the customer journey, from prospect to evangelist, including former customers.

Completely true

More true than not

Mostly false

Not true

This CRM is used by senior leadership to understand why customers do and don't purchase products and services from the business.

Senior leadership tracks this weekly

More true than not

Mostly false

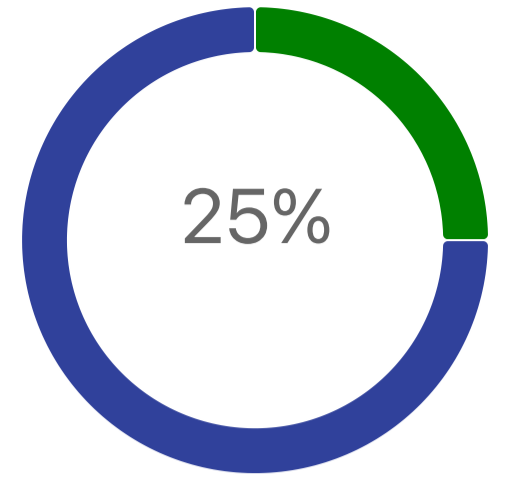
Not true

Scaleable Sales Process

- Why this matters to a private business CEO: A sales plan and process can increase sales performance while mitigating risk from team turnover. Successful sales processes are stable and promote predictable cash flow; they are also scalable which drives growth. CRM software helps manage and track sales efficiently. Sales training ensures alignment with strategy, maximizing revenue potential. Monitoring sales metrics allows for data-driven refinement, optimizing sales strategies for long-term success.

Strong SOPs

Growth-Driving Objective: Your business has strong, documented standard operating processes that ensure consistent successful delivery on the promises made to the marketplace by sales.



Strong SOPs

ROI: Reaching this Objective Adds **\$322,085** to Transferable Equity Value

YOUR SCORE:
25

ROI FROM INCREASING CAPACITY:
\$322,085

Strong SOPs



Potential Value:
\$322,085

Trapped Value:
\$241,564

Score compared to Best-In-Class:

Strong SOPs



■ Total Value **■** Current Value **■** Trapped Value

Strong SOPs

Your business has strong, documented standard operating processes that ensure consistent successful delivery on the promises made to the marketplace by sales.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business has strong documented standard operating procedures ensuring smooth delivery of all products and services.

We do, they're up-to-date and followed by all

More true than not

Mostly false

We don't

The business tracks delivery to quality specifications.

We have a written process and track quality at every step from production through delivery

More true than not

Mostly false

We don't

The business tracks delivery to time specifications.

We have a written process and essentially always deliver on time.

More true than not

Mostly false

We don't

The business shares performance metrics on delivery quality and time across the entire organization.

We share this data weekly and throughout the organization.

More true than not

Mostly false

We don't

The business shares performance metrics on delivery quality and time with the market.

We routinely update the market about our delivery performance as a competitive advantage.

More true than not

Mostly false

We don't

The business applies a documented cybersecurity program using best practices for the industry and has never experienced a data breach.

We are 100% confident.

More true than not

Mostly false

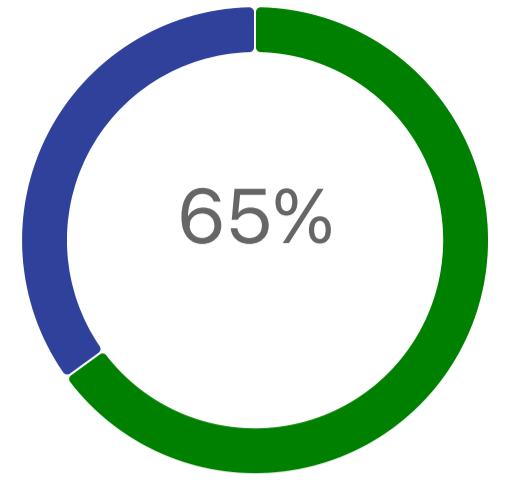
We don't

Strong SOPs

- Why this matters to a private business CEO: Standard Operating Procedures (SOPs) ensure consistency and quality. Strong SOPs are key to delivering high customer satisfaction, recurring revenues and potentially higher margins. Regular reviews keep SOPs aligned with business needs, reducing operational errors. Employee training on SOPs ensures compliance and efficiency. Technology automates checks, enhancing quality control.

High Customer Satisfaction

Growth-Driving Objective: Your business routinely measures customer satisfaction and uses this information to manage and improve performance.



High Customer Satisfaction

ROI: Reaching this Objective Adds **\$268,246** to Transferable Equity Value

YOUR SCORE:
65

ROI FROM INCREASING CAPACITY:
\$268,246

High Customer Satisfaction



Potential Value:
\$268,246

Trapped Value:
\$93,887

Score compared to Best-In-Class:

High Customer Satisfaction



■ Total Value ■ Current Value ■ Trapped Value

High Customer Satisfaction

Your business routinely measures customer satisfaction and uses this information to manage and improve performance.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business has a documented process to measure customer satisfaction.

We do, it is up-to-date and followed by all

Two of these are true

One is true

We don't

The business routinely measures customer satisfaction, including a mix of surveys and customer interviews.

We do, it's up to date and applied to over 80% of customers

More true than not

Mostly false

We don't

The business has a documented process to collect customer ideas for improving products, services, and processes.

We can document that we exceed industry best practices

More true than not

Mostly false

We don't

The business regularly shares customer satisfaction data, both internally and externally.

We do, its up-to-date and used routinely.

More true than not

Mostly false

We don't

Customer satisfaction data is routinely used to manage the business.

We do this weekly

More true than not

Mostly false

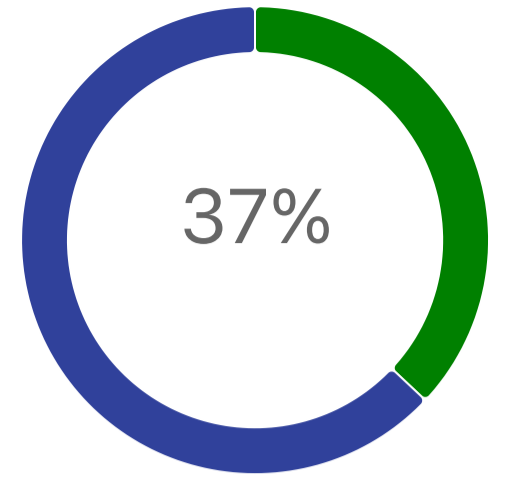
We don't

High Customer Satisfaction

- Why this matters to a private business CEO: Satisfied customers drive revenue and reputation. Feedback systems gather insights for improvement. Swiftly addressing concerns retains customers and fosters loyalty. Regular updates based on feedback enhance product/service quality, maintaining customer satisfaction and loyalty.

Strategic Vision, Planning, and Execution

Growth-Driving Objective: You document, are transparent and communicate your business' vision & mission, strategy, performance, SOPs, and culture both internally and externally; you have the capacity to execute.



Strategic Vision, Planning, and Execution

ROI: Reaching this Objective Adds **\$261,318** to Transferable Equity Value

YOUR SCORE:
37

ROI FROM INCREASING CAPACITY:
\$261,318

Strategic Vision,
Planning, and
Execution



Potential Value:
\$261,318
Trapped Value:
\$164,631

Score compared to Best-In-Class:

Strategic Vision,
Planning, and
Execution



■ Total Value ■ Current Value ■ Trapped Value

Strategic Vision, Planning, and Execution

You document, are transparent and communicate your business' vision & mission, strategy, performance, SOPs, and culture both internally and externally; you have the capacity to execute.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business has a published vision and mission.

We do, it's up to date and known by all

More true than not

Mostly false

We don't

The business uses a written strategy to execute its mission and meet shareholder profit and value growth goals.

We do, and successfully executing our strategy is the top priority

More true than not

Mostly false

We don't

Senior leadership manages the business in line with the strategic plan.

Its our #1 priority

More true than not

Mostly false

We don't

Senior leadership analyzes and considers strategic capacity in all planning and execution projects.

Increasing strategic capacity is our #1 focus

More true than not

Mostly false

We don't

You actively and continuously use an execution methodology to deploy your strategy.

We do, and it is embraced by all

More true than not

Mostly false

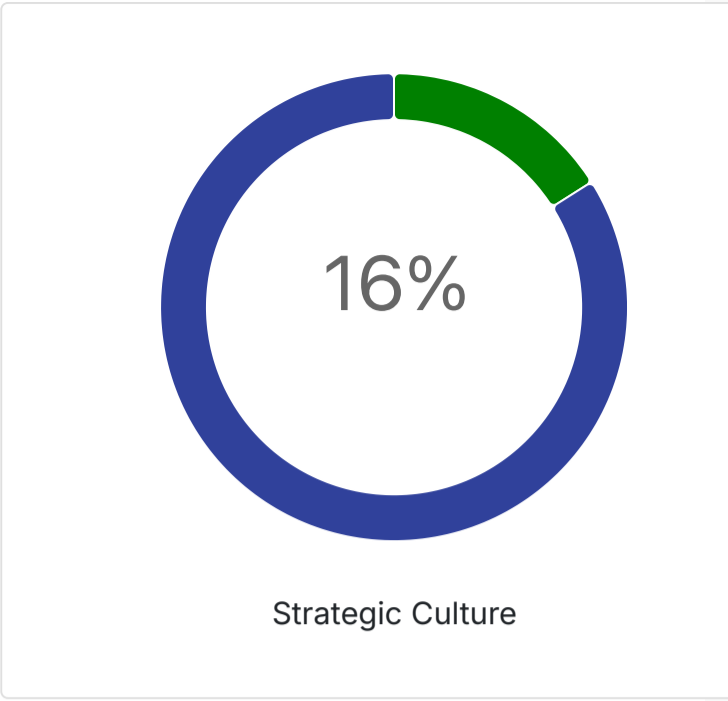
We don't

Strategic Vision, Planning, and Execution

- Why this matters to a private business CEO: best-in-class businesses operate following a strategic plan and constantly work on their capacity to execute. These businesses are operated using an execution leadership system focusing on regular communication and transparency. Conducting annual planning and quarterly strategic review meetings with senior leadership ensures alignment on the company's direction. Monthly and weekly tactical meetings drive strategic execution into daily business operations. Aligning department goals with the overall strategy promotes coordinated efforts. Utilizing business intelligence tools enables data-driven decision-making, optimizing resource allocation and strategy implementation.

Strategic Culture

Growth-Driving Objective: Your business culture helps deliver your vision, mission and strategy.



ROI: Reaching this Objective Adds **\$313,542** to Transferable Equity Value

YOUR SCORE:
16

ROI FROM INCREASING CAPACITY:
\$313,542

Strategic Culture



Potential Value:
\$313,542
Trapped Value:
\$263,376

Score compared to Best-In-Class:

Strategic Culture



■ Total Value **■** Current Value **■** Trapped Value

Strategic Culture

Your business culture helps deliver your vision, mission and strategy.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business has written guiding principles that support execution of the vision, mission and strategy.

We do, and they can be recited by all.

Two of these are true

One is true

We don't

The senior leadership team is aligned with the guiding principles.

We live them every day; these guide hiring and performance review

More true than not

Mostly false

We don't

Employees and contractors are aligned with the guiding principles.

We live them every day; these guide hiring and performance review

More true than not

Mostly false

We don't

The business understands that maintaining a positive culture is a purposeful exercise and invests time and treasure in promoting the guiding principles.

We routinely focus on this as a top priority

More true than not

Mostly false

We don't

The culture creates an 'ownership' sense of belonging for all employees and contractors.

We're 100% confident and can prove it

More true than not

Mostly false

We don't

An outsider can easily understand the business guiding principles.

Our guiding principles are published for all to see and brought to life through our behaviors

More true than not

Mostly false

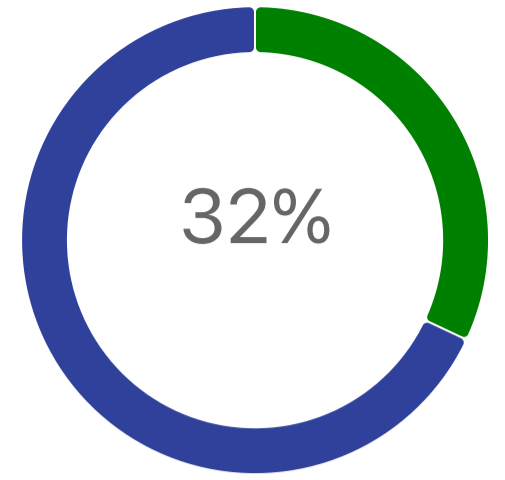
We don't

Strategic Culture

- Why this matters to a private business CEO: A strong strategic culture is created and constantly nurtured to foster unity and purpose among employees. The best cultures foster an ownership mentality amongst all employees and stakeholders. Communicating and behaving in line with established guiding principles strengthens collaboration and commitment. Encouraging open communication and feedback ensures employees understand and embrace guiding principles. Recognizing and rewarding employees who embody the culture reinforces desired behaviors. Culture contributes to brand promise, the value or experience a company's customers can expect to receive every single time they interact with the business.

People: Hiring and Training

Growth-Driving Objective: You have a documented and effective process to hire, onboard and train people that has a proven record of creating productive and loyal contributors to the business' success.



People: Hiring and Training

ROI: Reaching this Objective Adds **\$261,318** to Transferable Equity Value

YOUR SCORE:
32

ROI FROM INCREASING CAPACITY:
\$261,318

People: Hiring and Training



Potential Value:
\$261,318

Trapped Value:
\$177,697

Score compared to Best-In-Class:

People: Hiring and Training



■ Total Value **■** Current Value **■** Trapped Value

People: Hiring and Training

You have a documented and effective process to hire, onboard and train people that has a proven record of creating productive and loyal contributors to the business' success.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business has a documented and proven process to identify and hire employees and contractors.

We do and it's up to date

More true than not

Mostly false

We don't

The business has a documented and proven process to onboard employees and contractors.

We do and its applied to every new team member

More true than not

Mostly false

We don't

The business has a documented process to train new employees.

We do, its up-to-date and they become productive quickly

More true than not

Mostly false

We don't

Compensation and benefits for all employees are in line with industry norms and include performance-based incentives.

We stay up-to-date with and meet or exceed industry norms

More true than not

Mostly false

We don't

Compensation and expenses for the CEO and other senior leaders is in line with industry norms.

We stay up-to-date with and meet or exceed industry norms for every senior leader

Two of these are true

One of these is true

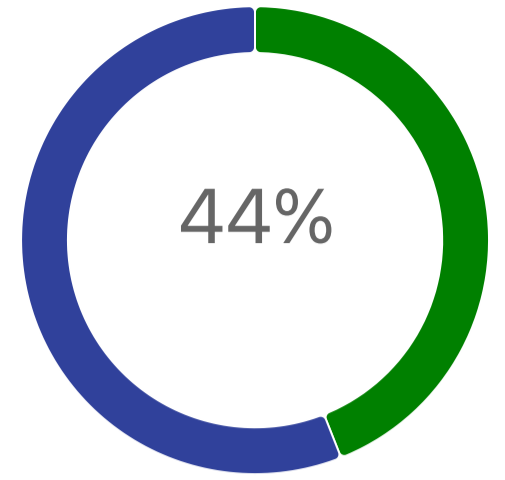
We don't, or we don't know

People: Hiring and Training

- Why this matters to a private business CEO: Hiring and training impact talent acquisition and retention. A standardized onboarding process improves new hires' integration and productivity. Collaborating with experts enhances training effectiveness. Regularly reviewing and updating compensation structures to stay aligned with industry best practices ensures competitiveness in attracting and retaining top talent.

Large Market Size

Growth-Driving Objective: Your market supports significant growth of the business including one or more of geographic opportunities, diversifying revenues from current customers, non-cannibalizing new sales, and strategic acquisitions.



Large Market Size

ROI: Reaching this Objective Adds **\$104,448** to Transferable Equity Value

YOUR SCORE:
44

ROI FROM INCREASING CAPACITY:
\$104,448

Large Market Size



Potential Value:
\$104,448

Trapped Value:
\$58,491

Score compared to Best-In-Class:

Large Market Size



■ Total Value ■ Current Value ■ Trapped Value

Large Market Size

Your market supports significant growth of the business including one or more of geographic opportunities, diversifying revenues from current customers, non-cannibalizing new sales, and strategic acquisitions.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business has documented the market it serves.

We have and it's up-to-date

More true than not

Mostly false

We don't

The business can defend with data 3 reasons why its market will allow profitable growth going into the future.

We can, and our data is kept current

More true than not

Mostly false

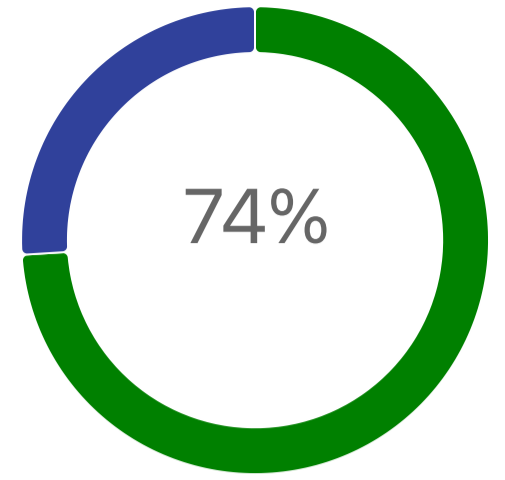
We don't

Large Market Size

- Why this matters to a private business CEO: Understanding market size informs growth strategies. Investing in market research identifies untapped opportunities. Implementing targeted marketing strategies expands market presence. Establishing partnerships or collaborations leverages resources for broader market reach.

Unique Products/Services

Growth-Driving Objective: Your products/services have unique characteristics that allow you to sell on value not price.



Unique Products/Services

ROI: Reaching this Objective Adds **\$313,542** to Transferable Equity Value

YOUR SCORE:
74

ROI FROM INCREASING CAPACITY:
\$313,542

Unique Products/Services



Potential Value:
\$313,542

Trapped Value:
\$81,521

Score compared to Best-In-Class:

Unique Products/Services



■ Total Value ■ Current Value ■ Trapped Value

Unique Products/Services

Your products/services have unique characteristics that allow you to sell on value not price.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business maintains a document that compares and contrast its products and services against the competition.

We do and it's up-to-date

More true than not

Mostly false

We don't

The business can explain why its products are the best possible fit for customers.

We can, and we keep this messaging up-to-date

More true than not

Mostly false

We don't

The business uses a pricing strategy that focuses on value rather than price.

We do

More true than not

Mostly false

We don't

The business understands the life cycle for its products and services

We can document the life cycle for everything we sell and it's up-to-date

More true than not

Mostly false

We don't

The business has a process for designing and introducing new products and services

We have a documented process that is applied regularly

More true than not

Mostly false

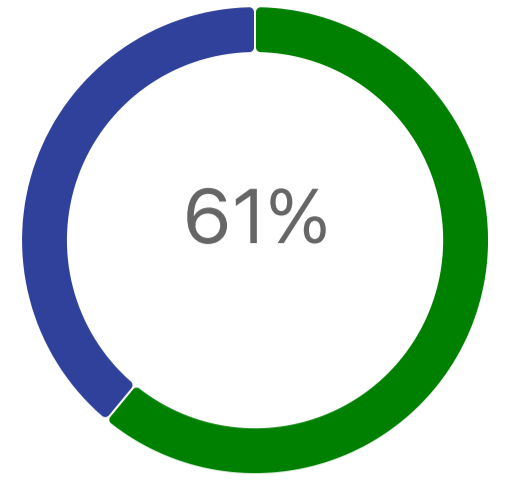
We don't

Unique Products/Services

- Why this matters to a private business CEO: Product uniqueness sustains competitiveness. Investing in research and development maintains relevance and innovation. Regularly reviewing the competitive landscape identifies differentiation opportunities. Developing a feedback loop with sales and marketing ensures product offerings align with market demands.

Scalable Marketing Process

Growth-Driving Objective: Your business can produce leads in a proven and systematic way, ensuring adequate potential customers at each stage of the buyer's journey.



Scalable Marketing Process

ROI: Reaching this Objective Adds **\$209,094** to Transferable Equity Value

YOUR SCORE:
61

ROI FROM INCREASING CAPACITY:
\$209,094

Scalable Marketing Process



Potential Value:
\$209,094

Trapped Value:
\$81,547

Score compared to Best-In-Class:

Scalable Marketing Process



■ Total Value ■ Current Value ■ Trapped Value

Scalable Marketing Process

Your business can produce leads in a proven and systematic way, ensuring adequate potential customers at each stage of the buyer's journey.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business uses a written marketing plan.

We do, it's up to date and is delivering what we need

Two of these are true

One is true

We don't

The business uses a written marketing process.

We do, it's up to date and is delivering what we need

Two of these are true

One is true

We don't

The business uses and tracks marketing performance metrics.

We do; the senior team shares and discusses these weekly

Two of these are true

One is true

We don't

The marketing team is accountable to the businesses revenue targets.

They are, and compensation considers performance

More true than not

Mostly false

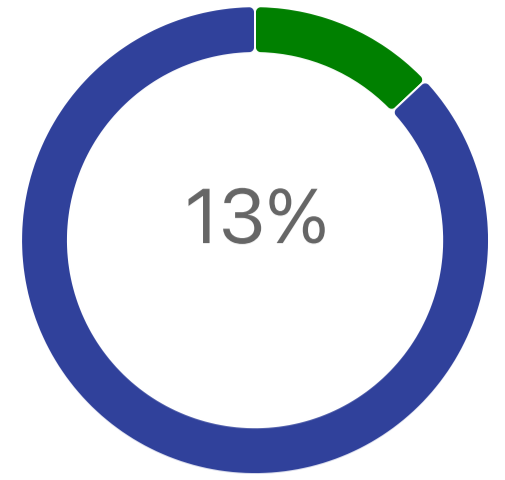
We don't

Scalable Marketing Process

- Why this matters to a private business CEO: Scalable marketing drives business growth. Utilizing digital strategies reaches a wider audience efficiently. Regularly optimizing the marketing funnel improves lead conversion rates. Training the marketing team on industry trends and tools keeps strategies current and effective.

Financial: Budget, Forecast, Actuals

Growth-Driving Objective: You manage finances using a budget and forecasts, and have a documented history of actual financial performance at or above forecast.



Financial: Budget, Forecast, Actuals

ROI: Reaching this Objective Adds **\$261,318** to Transferable Equity Value

YOUR SCORE:
13

ROI FROM INCREASING CAPACITY:
\$261,318

Financial: Budget, Forecast, Actuals



Potential Value:
\$261,318

Trapped Value:
\$227,347

Score compared to Best-In-Class:

Financial: Budget, Forecast, Actuals



■ Total Value ■ Current Value ■ Trapped Value

Financial: Budget, Forecast, Actuals

You manage finances using a budget and forecasts, and have a documented history of actual financial performance at or above forecast.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business is managed to a budget.

- We do
- More true than not
- Mostly false
- We don't

The business forecasts future performance including both operational and financial metrics.

- We do, and meeting these forecasts is a key focus of our strategic plan execution
- More true than not
- Mostly false
- We don't

The business tracks actual performance against forecasts.

- We do this weekly
- More true than not
- Mostly false
- We don't

The business can accurately forecast performance for the next quarter.

- We do, our forecasts are SMART-D and have a proven record of accuracy (Significant, Measurable, Achievable, Relevant, Time Bound and Discussed)
- More true than not
- Mostly false
- We don't

The business can accurately forecast performance for the next year.

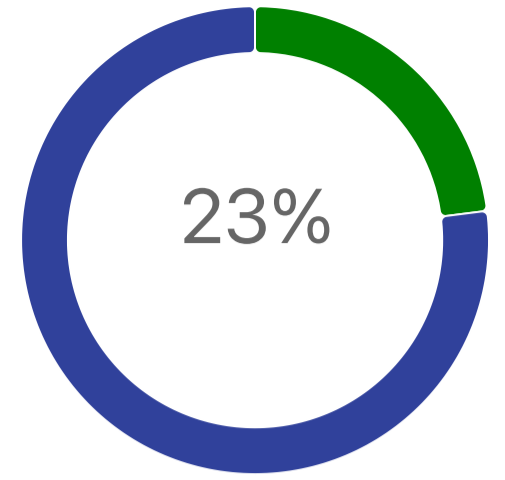
- We do, our forecasts are SMART-D and have a proven record of accuracy (Significant, Measurable, Achievable, Relevant, Time Bound and Discussed)
- More true than not
- Mostly false
- We don't

Financial: Budget, Forecast, Actuals

- Why this matters to a private business CEO: Growth is expensive and cash-starved businesses cannot deliver sustained growth. Effective financial management is crucial. Implementing a financial dashboard provides real-time budget monitoring. Predictive analytics tools enhance forecasting accuracy. Conducting monthly financial planning and reviews ensures fiscal responsibility and adaptability.

Innovation Creates a Competitive Advantage

Growth-Driving Objective: Your business understands the value of innovation and has a proven and systematic way to drive and capture innovation from employees, vendors, customers and the market at all levels and for every area of the business.



Innovation Creates a Competitive Advantage

ROI: Reaching this Objective Adds **\$261,318** to Transferable Equity Value

YOUR SCORE:
23

ROI FROM INCREASING CAPACITY:
\$261,318

Innovation Creates a Competitive Advantage



Potential Value:
\$261,318

Trapped Value:
\$201,215

Score compared to Best-In-Class:

Innovation Creates a Competitive Advantage



Total Value Current Value Trapped Value

Innovation Creates a Competitive Advantage

Your business understands the value of innovation and has a proven and systematic way to drive and capture innovation from employees, vendors, customers and the market at all levels and for every area of the business.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business actively seeks innovation of products, services and processes.

This is a constant focus using a documented process

More true than not

Mostly false

We don't

There exists a documented process for collecting and evaluating new ideas from employees, contractors, customers, vendors, and the market.

There is, its up-to-date and applied routinely

More true than not

Mostly false

We don't

There exists written guidelines for implementing valuable innovations.

There is, its up-to-date and applied routinely

More true than not

Mostly false

We don't

The business protects the intellectual property created by its employees and contractors using contracts such as work for hire, nondisclosure, noncompete, non-raid, and similar legal documents. These documents are up-to-date and easily accessible.

We are 100% confident and can prove it

More true than not

Mostly false

We don't

The business uses technology and automation as a force multiplier, ensuring that it creates and maintains a competitive advantage going into the future.

We do, and our performance meets or exceeds industry best practices

More true than not

Mostly false

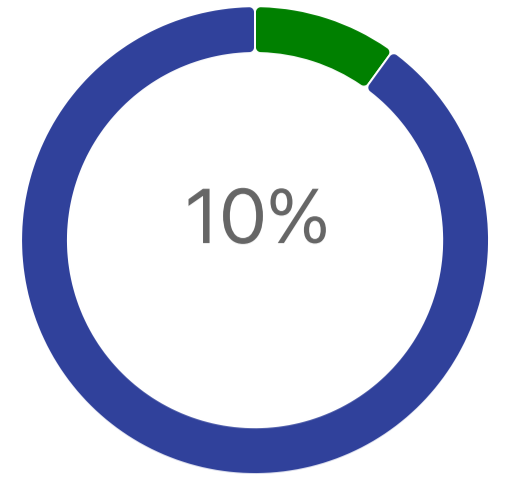
We don't

Innovation Creates a Competitive Advantage

- Why this matters to a private business CEO: Innovation drives competitiveness. Fostering a culture of innovation encourages creative problem-solving. Allocating resources for experimentation fuels new ideas. Developing partnerships with academic institutions or research organizations accesses external expertise, enhancing innovative capabilities.

Strategic: Business Story

Growth-Driving Objective: You have documented your business industry, niche, history (in words and financial results), organization and locations and have published the information that allows an outsider to quickly gain a clear understanding of what your business does, how it does it, and the business' promise to the market.



Strategic: Business Story

ROI: Reaching this Objective Adds **\$166,356** to Transferable Equity Value

YOUR SCORE:
10

ROI FROM INCREASING CAPACITY:
\$166,356

Strategic: Business Story



Potential Value:
\$166,356

Trapped Value:
\$149,721

Score compared to Best-In-Class:

Strategic: Business Story



■ Total Value ■ Current Value ■ Trapped Value

Strategic: Business Story

You have documented your business industry, niche, history (in words and financial results), organization and locations and have published the information that allows an outsider to quickly gain a clear understanding of what your business does, how it does it, and the business' promise to the market.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business has documented its market and niche.

We do and it's up-to-date

More true than not

Mostly false

We don't

The business keeps a file tracking its history in words and financial results.

We do, and its complete and up-to-date

More true than not

Mostly false

We don't

The business publishes its promise to the market and the policies it uses to keep this promise.

We do and our policies are applied routinely

More true than not

Mostly false

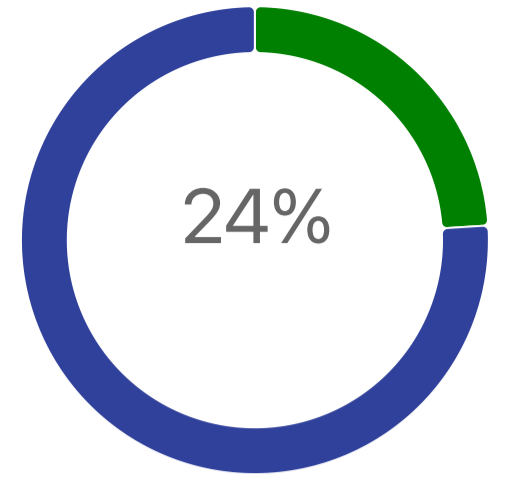
We don't

Strategic: Business Story

- Why this matters to a private business CEO: Creating a detailed business portfolio or dossier is crucial as it provides a comprehensive view of the company's strengths, achievements, and future potential. This matters because it can attract potential investors or lenders, helping secure necessary capital for growth and development. Regularly updating business achievements and milestones in public profiles not only showcases progress but also builds credibility and trust among stakeholders. Furthermore, engaging with public relations experts to enhance business storytelling ensures that the company's narrative aligns with its strategic goals and resonates with the target audience, ultimately contributing to brand image and market positioning.

Financial: Accurate and Credible Financial Reports

Growth-Driving Objective: Your business' financial reports are routinely reviewed by independent outside experts which confirms your financial performance and tax compliance, and your business could successfully complete an audit, quality of earnings, M&A due diligence or similar outside inspection.



Financial: Accurate and Credible Financial Reports

ROI: Reaching this Objective Adds **\$221,753** to Transferable Equity Value

YOUR SCORE:
24

ROI FROM INCREASING CAPACITY:
\$221,753

Financial: Accurate and Credible Financial Reports



Potential Value:
\$221,753
Trapped Value:
\$168,533

Score compared to Best-In-Class:

Financial: Accurate and Credible Financial Reports



■ Total Value ■ Current Value ■ Trapped Value

Strategic: Business Story

Your business' financial reports are routinely reviewed by independent outside experts which confirms your financial performance and tax compliance, and your business could successfully complete an audit, quality of earnings, M&A due diligence or similar outside inspection.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business uses a written process to create timely and accurate financial reports.

We do and we're 99.9% confident they are accurate

More true than not

Mostly false

We don't

The business financial reports are routinely reviewed by an outside expert.

We had someone look at them in the last 12 months

We had someone look at them in the last 3 years

We had someone look at them in the last 5 years

We haven't

An certified public accounting firm has reviewed the accuracy of the financial reports for one or more of the past five years through review, audit and/or quality of earnings review.

They have in the past 12 months and we've documented how we cleared any negative findings

More true than not

Mostly false

We haven't

The business can document compliance since inception or for the past 10 years with all relevant tax obligations.

We can using complete returns prepared by certified tax professionals.

More true than not

Mostly false

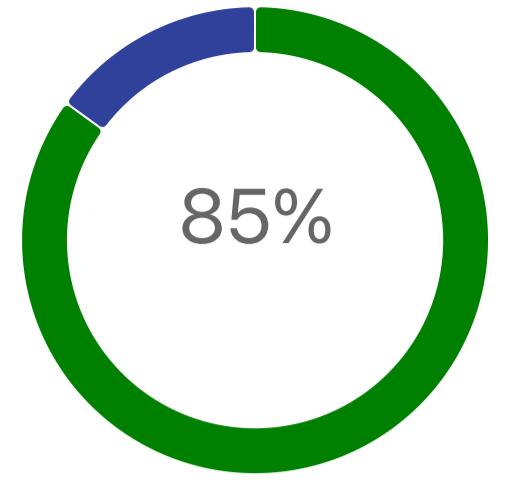
We don't

Financial: Accurate and Credible Financial Reports

- Why this matters to a private business CEO: Private business CEOs must prioritize accurate and credible financial reporting for several reasons among which is M&A readiness. Engaging a reputable third-party firm for annual financial audits in the years preceding a sale, recapitalization or other transfer enhances transparency and trust with investors and creditors. Implementing rigorous internal checks and balances for financial reporting safeguards against fraud and errors. Additionally, training the finance team on the latest financial reporting standards and best practices ensures compliance with regulatory requirements, reducing legal risks and bolstering the company's financial reputation.

Legal: IP, Contracts, Governance and Litigation

Growth-Driving Objective: You have up-to-date legal documentation for key business areas including IP, Employees, Contractors and Vendors, and Corporate Governance and there is no litigation involving the business.



Legal: IP, Contracts, Governance and Litigation

ROI: Reaching this Objective Adds **\$332,713** to Transferable Equity Value

YOUR SCORE:
85

ROI FROM INCREASING CAPACITY:
\$332,713

Legal: IP, Contracts,
Governance and
Litigation



Potential Value:
\$332,713
Trapped Value:
\$49,907

Score compared to Best-In-Class:

Legal: IP, Contracts,
Governance and
Litigation



■ Total Value **■** Current Value **■** Trapped Value

Legal: IP, Contracts, Governance and Litigation

You have up-to-date legal documentation for key business areas including IP, Employees, Contractors and Vendors, and Corporate Governance and there is no litigation involving the business.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business protects its intellectual property through published copyrights, trademarks, and patents. These documents are up-to-date and easily accessible.

We do and it's up-to-date

More true than not

Mostly false

We don't

The business uses contracts to define the roles and responsibilities of all suppliers and delivery contractors. These contracts are up-to-date and easily accessible.

We do, and our records are complete and up-to-date

More true than not

Mostly false

We don't

The business maintains a record from inception to today detailing the rights and obligations of all shareholders and or partners in the business.

We do, and our records are complete and up-to-date

More true than not

Mostly false

We haven't

The business maintains a complete record, since inception, detailing the rights and obligations of all business lenders and other creditors.

We do, and our records are complete and up-to-date

More true than not

Mostly false

We don't

The business has maintained since inception a record of all corporate governance meetings including board meeting minutes, and has a written record of compliance with all government mandated filings.

We do, and our records are complete and up-to-date

More true than not

Mostly false

We don't

There is no pending litigation against the business or involving senior leadership in connection with their business duties.

There is no pending litigation or unresolved legal dispute

More true than not

Mostly false

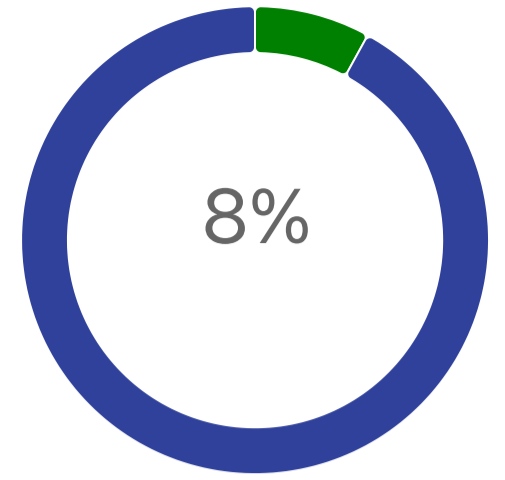
Litigation is a current problem

Legal: IP, Contracts, Governance and Litigation

- Why this matters to a private business CEO: Legal matters such as intellectual property protection, contracts, governance, and litigation hold significant importance. Regularly reviewing and updating all legal documentation is essential to stay compliant with evolving laws and regulations, reducing legal risks that could harm the business. Litigation is a growth and deal killer. Collaborating with legal experts for compliance checks ensures that the company operates in compliance with relevant law. Moreover, ensuring that all business dealings, partnerships, and collaborations are backed by legal contracts provides legal protection and clarity, mitigating potential disputes and liabilities.

High Growth Compared to Market

Growth-Driving Objective: You document and discuss your business growth compared to your past performance, to competitors and to the market, and you can defend growth projections looking into the future.



High Growth Compared to Market

ROI: Reaching this Objective Adds **\$221,753** to Transferable Equity Value

YOUR SCORE:
8

ROI FROM INCREASING CAPACITY:
\$221,753

High Growth
Compared to Market



Potential Value:
\$221,753

Trapped Value:
\$204,013

Score compared to Best-In-Class:

High Growth
Compared to Market



Total Value Current Value Trapped Value

High Growth Compared to Market

You document and discuss your business growth compared to your past performance, to competitors and to the market, and you can defend growth projections looking into the future.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business can document growing revenues and profits.

We can and our records are both accurate and up-to-date

More true than not

Mostly false

We don't

The business tracks financial performance against key competitors.

We can and our records are both accurate and up-to-date

More true than not

Mostly false

We don't

The business tracks financial performance against the market.

We can and our records are both accurate and up-to-date

More true than not

Mostly false

We haven't

The business can defend 3 or more reasons why it will continue to grow compared to key competitors and the market.

We have an up-to-date document listing 3 or more reasons

We have an up-to-date document listing 2 reasons

We have an up-to-date document listing 1 reason

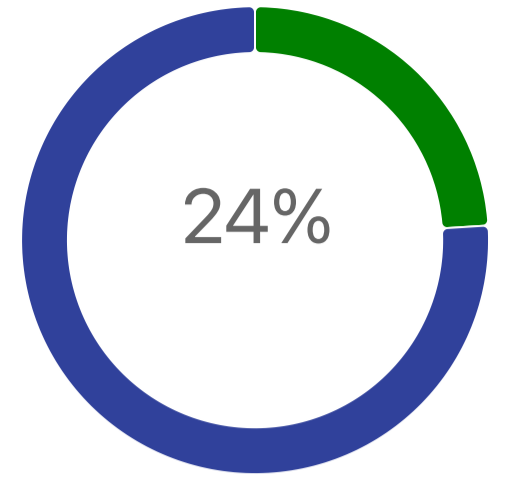
We can't

High Growth Compared to Market

- Why this matters to a private business CEO: Monitoring market trends and adjusting business strategies accordingly is essential for a private business CEO to achieve high growth compared to the market. By staying attuned to industry shifts and customer preferences, CEOs can make informed decisions that keep the company ahead of competitors. Investing in innovation and research and development (R&D) helps create differentiated products or services that attract customers and drive growth. Collaborating or forming strategic alliances enables businesses to capture a larger market share by leveraging complementary strengths and resources. High growth compared to the market creates confidence in potential investors and lenders.

Large Market Share

Growth-Driving Objective: You have defined your market and niche and have data showing you have dominant market share vs key competitors.



Large Market Share

ROI: Reaching this Objective Adds **\$221,753** to Transferable Equity Value

YOUR SCORE:
24

ROI FROM INCREASING CAPACITY:
\$221,753

Large Market Share



Potential Value:
\$221,753

Trapped Value:
\$168,533

Score compared to Best-In-Class:

Large Market Share



■ Total Value **■** Current Value **■** Trapped Value

Large Market Share

Your have defined your market and niche and have data showing you have dominant market share vs key competitors.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business can document the size of the market it serves.

We can and our records are both accurate and up-to-date

More true than not

Mostly false

We don't

The business has identified all key competitors, real and perceived.

We can and it's up-to-date

More true than not

Mostly false

We don't

The business documents its market share.

We have current data showing our market share

More true than not

Mostly false

We haven't

The business can document and defend 3 reasons why it will achieve or maintain dominant market share.

We have an up-to-date document listing 3 or more reasons

We have an up-to-date document listing 2 reasons

We have an up-to-date document listing 1 reason

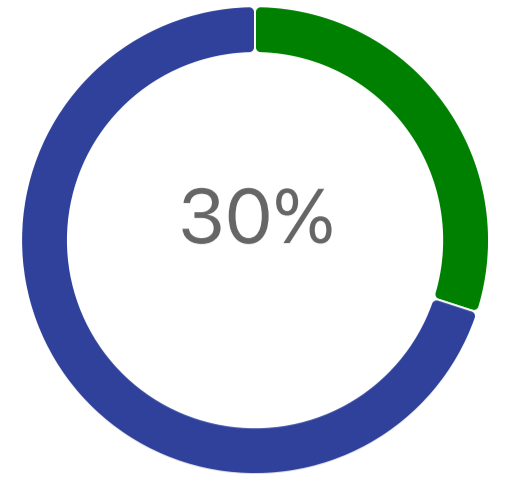
We can't

Large Market Share

- Why this matters to a private business CEO: Maintaining a large market share is vital for a private business CEO. Regular market analysis helps identify areas of growth and dominance, enabling strategic decision-making. Developing targeted marketing campaigns in areas with potential for increased market share allows CEOs to capitalize on opportunities and expand their customer base. Strengthening relationships with key stakeholders in the market, such as suppliers, distributors, and customers, fosters loyalty and support, further solidifying the company's market position. Large market share creates confidence in potential investors and lenders.

Broad Customer Base

Growth-Driving Objective: Your business generates revenue from a large number of customers, and no more than 20% of revenues come from your largest customer.



Broad Customer Base

ROI: Reaching this Objective Adds **\$166,356** to Transferable Equity Value

YOUR SCORE:
30

ROI FROM INCREASING CAPACITY:
\$166,356

Broad Customer Base



Potential Value:
\$166,356
Trapped Value:
\$116,450

Score compared to Best-In-Class:

Broad Customer Base



■ Total Value ■ Current Value ■ Trapped Value

Broad Customer Base

Your business generates revenue from a large number of customers, and no more than 20% of revenues come from your largest customer.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

No one customer generates more than 20% of gross or net revenues.

True, and we maintain up-to-date records

More true than not

Mostly false

We don't

Revenues are generated from a mix of new, developing and long-term customers.

True, and we maintain up-to-date records

More true than not

Mostly false

We don't

The business can defend 3 or more reasons why it will have diversified revenue streams going into the future.

We have an up-to-date document listing 3 or more reasons

We have an up-to-date document listing 2 reasons

We have an up-to-date document listing 1 reason

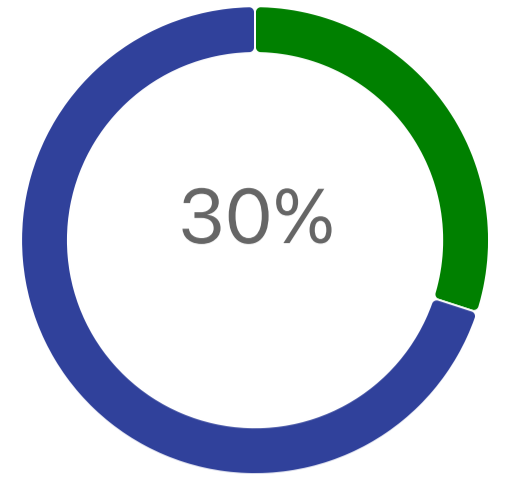
We can't

Broad Customer Base

- Why this matters to a private business CEO: Diversifying product or service offerings is crucial for attracting a wider customer base. Best-in-class businesses generate profits from a large number of customers who in turn equally represent every stage of the customer life cycle. Exploring untapped markets or demographics opens up new revenue streams and reduces dependency on a single market segment. Developing partnerships or collaborations to cross-sell or co-market products leverages the customer base of partners, increasing exposure and sales potential.

Defensible Market

Growth-Driving Objective: You can defend your market and future revenues from new competitors using legal, financial, SOP or other barriers.



Defensible Market

ROI: Reaching this Objective Adds **\$166,356** to Transferable Equity Value

YOUR SCORE:
30

ROI FROM INCREASING CAPACITY:
\$166,356

Defensible Market



Potential Value:
\$166,356

Trapped Value:
\$116,450

Score compared to Best-In-Class:

Defensible Market



■ Total Value **■** Current Value **■** Trapped Value

Defensible Market

You can defend your market and future revenues from new competitors using legal, financial, SOP or other barriers.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

There are documented capital barriers protecting your future revenue.

We do and our records are up-to-date

More true than not

Mostly false

We don't

The business has protected intellectual property that would prevent or hamper other entrants into the market.

We do and our records are up-to-date

More true than not

Mostly false

We don't

There are other documented barriers protecting your future revenue.

There are several

More true than not

Mostly false

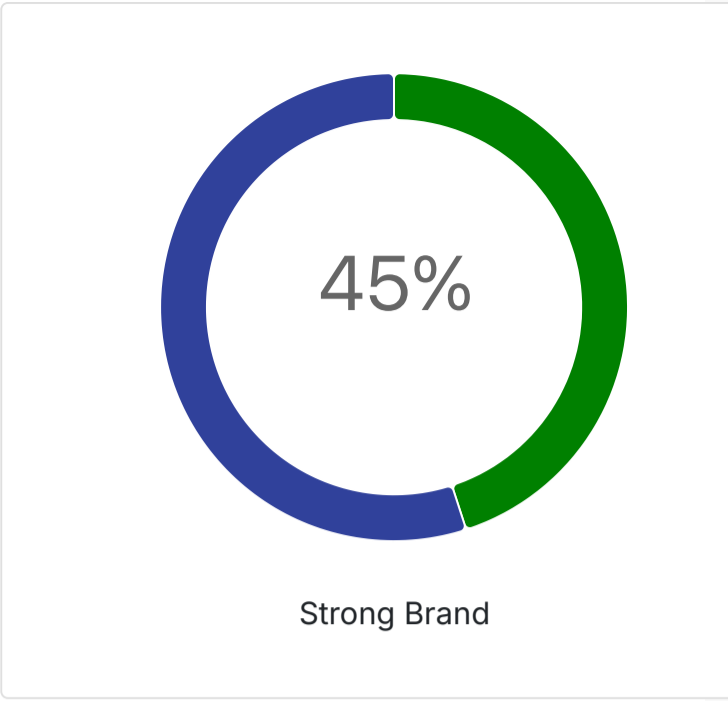
We don't

Defensible Market

- Why this matters to a private business CEO: CEOs should invest in research and development (R&D) to develop proprietary technologies or solutions, creating a defensible market position. Strengthening legal protections around business assets and intellectual property safeguards against competitors infringing on proprietary innovations. Developing strong brand loyalty through quality products and excellent customer service ensures customer retention and protection against market encroachment.

Strong Brand

Growth-Driving Objective: Your brand is a valuable competitive tool that supports your vision, mission and strategic execution.



ROI: Reaching this Objective Adds **\$166,356** to Transferable Equity Value

YOUR SCORE:
45

ROI FROM INCREASING CAPACITY:
\$166,356

Strong Brand



Potential Value:
\$166,356
Trapped Value:
\$91,496

Score compared to Best-In-Class:

Strong Brand



■ Total Value ■ Current Value ■ Trapped Value

Strong Brand

Your brand is a valuable competitive tool that supports your vision, mission and strategic execution.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

The business has written brand usage guidelines.

We do and it is applied uniformly and routinely

More true than not

Mostly false

We don't

The business can document the value of its brand through pricing and other metrics.

We have data and it is up-to-date

More true than not

Mostly false

We don't

The brand supports the business vision, mission and strategy.

Our brand is a strategic asset and we have data to prove it

More true than not

Not really

No real brand

We actively work on our brand promise which is an outward reflection of our strategic culture.

We have a written process which we use routinely

More true than not

Mostly false

We don't

Strong Brand

- Why this matters to a private business CEO: Brand is the external manifestation of strategic culture. The brand projects the business' guiding principles as a promise to the market. Developing and implementing a strong brand marketing strategy is essential as it builds brand recognition and loyalty. Regularly engaging with customers and stakeholders through feedback mechanisms and communication channels enhances brand loyalty and trust.

Bonus: Strength of M&A Market

Growth-Driving Objective: The market for selling your business is strong.

KEY RESULTS THAT DEMONSTRATE THE OBJECTIVE IS BEING MET:

Bonus: The market for selling your business is strong.

- Our plans consider how the market impacts our equity value
- Partly true
- Not really
- We don't track this

Bonus: The market for selling your business is strong.

Bonus: Strength of M&A Market

- Why this matters to a private business CEO: Staying updated on market trends that affect merger and acquisition (M&A) opportunities is crucial for private business CEOs. The M&A market generally trends with the national and global economies. Timing M&A and similar transactions to align with positive market trends can deliver higher transferable value. Moreover, businesses with top strategic capacity may earn premiums in any market. Building strong relationships with potential investors or acquirers can open doors to strategic partnerships, investments, or exit opportunities. Achieving and maintaining high strategic capacity ensures that the business is well-prepared and adaptable, increasing its attractiveness to potential buyers or investors in a competitive M&A market.