



# **A Proposal for Providing *Organizational Analysis and* Strategic Growth Capability**

## *Strong Point Strategy*

This Basic Proposal for Providing Organizational Analysis and Strategic Growth Capacity is an element of Strong Point Strategy, LLC Executive Management Development Series. All rights reserved. No part of this Proposal may be reproduced or transmitted in any form by any means, electronic or mechanical, including photocopying and recording, or by any information storage and retrieval system without written permission from the copyright owner, except for the inclusion of brief quotations in a review.

*Copyright © 2008 Strong Point Strategy, LLC  
7705 Keiffer Street, Philadelphia, PA 19128  
All Rights Reserved*

## Table of Contents

<b>Executive Overview.....</b>	<b>3</b>
I. Statement of Purpose _____	3
II. Impact and Action Plan Summarized _____	4
Core Skills.....	4
A Three-Step Action Plan.....	4
<b>Step 1: Immediate Business Analysis and Development.....</b>	<b>5</b>
I. Overall Introduction.....	5
II. What to Expect.....	6
A Detailed Look at Financial Resources.....	6
A Detailed Look at Equipment Resources.....	7
A Detailed Look at Human Resources.....	8
A Detailed Look at the Organization.....	9
A Detailed Look at the Business Process Layer.....	9
III. Step 1 Project Plan and Timeline.....	10
IV. Concrete Deliverables.....	10
V. Resources Required.....	11
VI. Assumptions and Risks.....	11
VII. Business Development.....	13
<b>Step 2: Complete Market Analysis and Development.....</b>	<b>14</b>
I. Overall Introduction.....	14
II. What to Expect.....	14
Short Term: Creating a Sales Success Story and Record.....	15
Short Term: Creating Sales Collateral that Coveys Success.....	15
Longer Term: Creating a Targeted Account List to Build Sales/ Revenue.....	16
III. Step 2 Project Plan .....	17
IV. Concrete Deliverables.....	17
V. Resources Required.....	17
VI. Assumptions and Risks.....	17
VII. Optional Market Development Execution.....	18
Creating a Global Market View.....	18
Creating a Competitive View and Landscape.....	20
Enhancing Sales and Marketing Tools.....	21
<b>Step 3: Continue to Support the Company's Core Business.....</b>	<b>22</b>
<b>A High-Level Timeline for Execution.....</b>	<b>23</b>
<b>A Financial Framework.....</b>	<b>24</b>
<b>Recommendations and Next Steps.....</b>	<b>25</b>

## Executive Overview

### I. Statement of Purpose

Sharon McCollick is the principal management consultant and executive coach for an active and emerging professional consulting services company called **Strong Point Strategy, LLC**. **Strong Point** provides individuals and executive management teams with the tools, process knowledge, practical skills and hands-on guided experience to become professionally and personally empowered to execute effective and sustainable corporate growth. Sharon and the core members of Strong Point Strategy have a 20 year track record for successfully helping companies transition from one level of measurable growth to another. Sharon believes she and Strong Point can bring the personal resources, professional business acumen and necessary experience needed to facilitate and assist companies seeking to achieve growth. Strong Point's methods and processes are effective and applicable at all stages of growth from start up to global player; and they have been proven and tested across all industries.

This proposal outlines the simple framework, the specific steps, thoughts, processes and timelines which Strong Point Strategy, LLC uses to enable companies to realize quick and powerful corporate growth.

## II. Impact and Action Plan Summarized

### Core Skills

The consultants of Strong Point Strategy possess a well rounded core of expertise that can be applied to provide immediate and powerful impact on corporate growth which includes:

- Technology Utilization and Optimization Skills
- Broad and Deep Business Analysis and Development Skills
- Extremely Seasoned Sales & Market Development Best Practices
- Global and World Class Business Operations and Management Experience
- A Successfully Proven Methodology and Approach to Business Growth
- An Emerging Set of Career Carrying Business Tools included in an ***Executive Excellence Toolbox™***

### A Three-Step Action Plan

Strong Point Strategy usually initiates a Business Growth Engagement with a detailed 3-step plan. These three steps include:

- 1) Immediate Business Analysis and Development**
- 2) Complete Market Analysis and Development**
- 3) Continued Support and Evaluation of Company's on-going Core Business**

These steps are detailed in great length and depth in the following sections of this proposal. Each detailed step includes:

- 1) *An Introduction* to the overall purpose and goals of the step
- 2) *Concrete Deliverables* Expected at the Completion of the step
- 3) *A Project Plan* and Timeline Detailing the Mechanics of each step
- 4) *Resources Required* for the effective completion of each step...and
- 5) *The Assumptions and Risks* associated with each step.

## Step 1: Immediate Business Analysis and Development

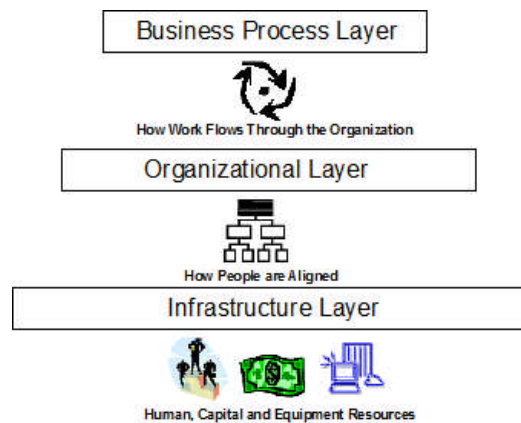
### I. Overall Introduction

Whenever a company endeavors to realize corporate growth and any improvements in business process or end results, the first and most important task is to analyze the business as it exists in its **Current State**. When charting a course to some future destination, progress and motion can begin only when there is a clear starting point. Call it benchmarking, defining the current state or whatever you like...a detailed accounting of “where you are” at this point in time in business operations is an absolute first requirement for *understanding* “where you are” and for *beginning to move forward* to a desired point in the future.

With a clearly defined starting point, real growth and progress can then be measured and the units of measure can be defined. Some common benchmarks created to measure growth are listed below:

- Net % Improvements in Revenue
- Net % Improvements in Profitability
- Increased Capacity in Product and/or Service Output
- Increased Number of Customers or Increased Number of Vertical Industries Served
- Net Increases in Employee Productivity and Satisfaction
- Net Reductions in Overhead and Infrastructure Costs

Defining a starting point from which to begin executing and measuring strategic gains for a corporation or division cannot be a static or unilateral process. In business, results are driven and executed through a detailed network of interlocking and interdependent business functions, processes, people and plans. **Current State** must be defined as a multi-layered and coordinate view of operations at a given snapshot in time. Usually, **Current State** is defined in layers such as: 1) the resource layer (people, capital, and equipment), 2) the organizational layer and 3) the business process layer.



It is also important to note that organizations oftentimes “think” they are positioned at a particular current state of operations, and learn, through the process of redefining **Current State** that there is a considerable gap between where they “think” they are and where they *actually* are. Bold faced, reality-based accounting is an important first step towards growth.

## II. What to Expect

Strong Point will conduct detailed business analysis to build an accurate picture of the **Current State** of affairs for a company.

First, a detailed audit of the company's Infrastructure is conducted. (Financial, Human and Equipment Resources).

### A Detailed Look at Financial Resources



In this step, Strong Point will require access to the company's past three year financial statements and records (and further back if so desired by the company). By looking at these financial statements and records, Strong Point is looking to answer questions such as (but not limited to):

#### ***Trends in the Company's or Division's Financial History***

- How are financial resources used by the company? (%'s as defined by chart of accounts)
- What percentage of funds are used for:
  - ❖ Salaries
  - ❖ Equipment
  - ❖ Cost of Goods Sold
  - ❖ Cost of Sales*(to name a few cost centers)*
- Are these percentages healthy? (i.e. profitable) and do they adhere to industry norms?
- Have Revenues Increased Year after Year?
- Has the Company Shown Consistent Growth? Consistent Decline? Sporadic Growth?
- If the company has shown sporadic growth...are there internal/external factors contributing to this pattern? Is there a cyclical pattern of growth recognizable in the company's history?
- What about profit margins? Are they Increasing? Decreasing? Healthy? Unhealthy? On Par with Industry Standards?.
- What about business ratios? What is the company's current ratio? (assets divided by debt); What is the company's quick ratio? (Current assets minus inventory)
- What is the company's total debt to net ratio?
- What is the trend for Accounts Receivable and Accounts Payable? What is the relationship between the two?
- What is the Average Collection Period for Products and Services Sold by the Company?
- What about Cost of Goods Sold (Trends going up or down?)
- What makes up the core Cost of Products and Services Provided? What are these functional areas? Are there obvious efficiencies or inefficiencies?
- What about Sales Growth? What are the ratios and trends here?

The answers to these questions and many more are evaluated, analyzed and summarized to build a financial profile and track record for the company or division. Benchmarks can now be defined; plans for improvement easily understood and calculated.

One very important conclusion drawn from this financial analysis will be how well the company measures up to a healthy standard for pricing and profitability.

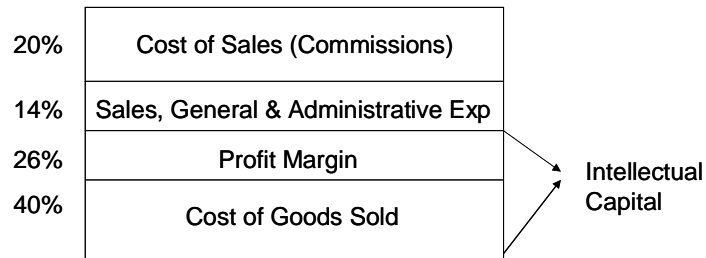


Illustration #1: A Common Profitability Model

## A Detailed Look at Equipment Resources



An important part of the immediate business analysis profiles how the company uses equipment and technology to conduct its core business. Since we live in the technology and information age and since most companies rely on the creation and dissemination of critical information, its use and optimization of technology and equipment is a key indicator of its past and future success. By looking at the use of technology and equipment within the company, Strong Point Strategy is looking to answer questions such as (but not limited to):

### **Trends in the Company's Use of Equipment and Technology**

- What percentage of the company's infrastructure costs are devoted to the use of technology and tools?
- Do employees and customers alike perceive the company to be operating with "state of the art" and/or world class technology tools and equipment?
- Do employees feel that they have enough equipment and technology resources to effectively conduct their work?
- Do customers and/or partners believe principals and key employees have and use technology tools that provide quick and easy access to the company's critical information? Products and services?
- If not...what technology tools are needed to enhance the company's effectiveness, profitability or capacity?
- Are there any obvious signs of equipment and/or technology weaknesses (i.e. under-utilization)?
- Are there any obvious signs of over-utilization (over kill) of equipment and/technology tools?
- What are the three most desired technology advances as seen by the company's employees?
- What are the three most frustrating and/or cumbersome equipment/technology gaps?

The answers to these questions and many more are evaluated, analyzed and summarized to build an equipment and technology usage profile and track record for the company. Technology and equipment inventory and investment per employee can be calculated and compared to industry standards. Benchmarks for operations and effectiveness can now be defined; plans for improvement easily understood and calculated.

## A Detailed Look at Human Resources



In this stage of the analysis, Strong Point spends individual and personal time with each employee of the company. Each employee is interviewed in depth. Strong Point hopes to learn (among many things):

### **Employee/Functional Profile**

- What core functions the employee performs? And how much time (in an average 8 hour day) is devoted to each activity?
- What is the most productive aspect of an employees' job? Least productive?
- Are there perceived and immediate actions that can be taken to make an employee's job easier? What are they?
- Are there process improvements that can be made by the employee about any core function of the business? What are they?
- Is the employee satisfied with key components of his/her:
  - Work environment?
  - Compensation?
  - Reward/Satisfaction Quotient?
  - Tools and Resources?
  - Communication with peers, supervisors and subordinates?
    - What would her/she change and why?
- Etc...

The answers to these questions and many more are evaluated, analyzed and summarized to build an employee profile and track record for the company. Roles and Responsibilities can be defined; perceived strengths and weaknesses can be articulated and categorized; and areas for potential improvements can become quickly and easily recognized. Employee time/map and function grids are created and compared against defined roles and goals. The activity maps also provide some insightful information about what functional areas are neglected (ex: Individual Expense and/or Activity Accounting) or which tasks are chartered as a responsibility of more than one employee and therefore identified as inefficient.





## A Detailed Look at the Organization

In this stage of the analysis, Strong Point takes all of the information gathered thus far regarding the company's financial, equipment and human resources and applies it to learning how the organization is structured to conduct its work. Strong Point, by this time, understands the core functions of the business and has a handle on who does what with whom and when. Strong Point Strategy should also have detailed knowledge of which functions and tasks are core for each employee as well as the business overall. An organizational analysis probes into efficiencies, as well as weaknesses and gaps. The outcome of this study is a comparative analysis between the existing structure and an optimal (or proposed) structure(s) that may better enable the organization, in its entirety, to conduct its work more effectively going forward.



## A Detailed Look at the Business Process Layer

One of the most important steps of a complete business analysis is defining and documenting core processes. Processes such as (to name only a few):

- Initial Customer Contact Process
- Complete Sales Cycle and Process (from initial contact to final completed deliverable)
- Product or Service Development Process
- Customer Billing and Invoicing Process

Without making the documentation process laborious, effective descriptions of core processes allow a detailed Activity Based Cost Analysis of the process to occur. Key tasks are defined and assigned a cost (ex: per hour of employee's time; per purchase of raw materials; per company overhead as amortized by headcount etc.) A Detailed Activity Based Accounting is measured against the price levied and profit margins realized for that activity. Any disparities (particularly those that are unprofitable) can be rather quickly recognized and corrected. These process maps take more time than other audits (such as financial and technology) simply because they are so often documented for the very first time within an organization. The actual number of core processes for any company will be detailed as well as the core functional areas in which to categorize these processes (ex: sales, finance, marketing, product and/or service development etc).

**III. Step 1 Project Plan and Timeline**

It is expected that the initial business analysis phase of the *3-Step Action Plan* for facilitating and executing strategic growth will take 4 to 8 weeks to complete. Find below a high level schedule for the completion of the analysis phase of Step 1. Depending on the availability of people and data these smaller analysis phases may take longer than one week to complete.

<b>Week 1 - 2</b>	<b>Week 2 - 4</b>	<b>Week 3 - 6</b>	<b>Week 4 - 8</b>
Complete Financial Audit	Complete Technology and Equipment Audit	Complete Human Resources /Organization Audit	Business Process Audit
Chart of Accts	Equipment Inventory	Employee Interviews	Identify Core Processes
Sales Trends	Technology Inventory	Time/Function Maps	Document Core Processes
Profitability Trends	Tools per Employee	Core Functions Defined	Conduct Activity Based Accounting etc.
	Missing Redundant Tools	Strengths/Weaknesses	
<b>Financial Summary</b>	<b>Equip/Tech Summary</b>	<b>HR/Org Summary</b>	<b>Bus Process Summary</b>

**IV. Concrete Deliverables**

It should be noted that concrete deliverables in the form of *Summary Documents* are provided at the end of each analysis phase. The Summary Document will be completed and distributed by the following Monday after the review. Summary documents will be distributed directly to all principals and employees defined as key consumers of the data. The delivery schedule will be as follows:

<b>Week 1:</b> Complete Financial Summary and Findings
<b>Week 2:</b> Complete Equipment and Technology Summary and Findings
<b>Week 3:</b> Complete Human Resources and Organizational Structure Summary
<b>Week 4:</b> Complete Business Process Summary ( <i>*Could take longer than 2 weeks</i> )

Once the operations audit is conducted in earnest and each detailed step is complete, an overall Organizational Analysis of the company is written and produced. This document integrates and synthesizes all the functional summaries and studies, be into a comprehensive summary of all the core findings about the business. The Organizational Analysis will also provide the means to make operational improvements and recommendations to prepare the company for future growth. Since it will take close to two weeks to synthesize the data and compile the summaries, the Organizational Analysis document will not be delivered until the conclusion of all phases of analysis. This document provides all the “self knowledge” that the company needs to possess before beginning the strategic planning process. A detailed summary of cash burn rates, customer to revenue ratios, revenue and profitability trends (for example) and all other specific “**Current State**” data paves the way for realistically planning for the “**Future State**”.

<b>Deliverable:</b> Organizational Analysis <i>complete with Recommendations for Growth</i>
---

## V. Resources Required

### Information and Collateral

The most important resource utilized during a full business audit is information. Strong Point Strategy will need full access to:

- 1) Vital Company financial data (Non-Disclosure agreements can be signed if need be)
- 2) Vital Electronic Data in the form of documents, memos, archived product files and customer correspondence (for example)
- 3) Libraries of Past Products and Services for Review (and anything in process)
- 4) Research Materials and any other information considered “intellectual capital” of the company.

In order for Strong Point Strategy to operate effectively, all participating consultants must have the access codes, the passwords and the locations to all the company’s servers and store rooms that house critical information.

### People

Beyond acquiring the information and data, Strong Point also needs free access to all company principals and appropriate employees to answer questions and to provide insights and clarity for information reviewed and studied. Once data is uncovered and opinions are formed and conclusions are drawn about the data, it is often wise and in fact necessary for Strong Point professionals to cooperatively and regularly communicate findings to employees of the corporation. Access to these professionals, and especially to business owners and/or president/CEO, to talk over findings, get important feedback and understanding about how newly discovered data might impact current or future strategies and plans, is all an important factor to the success and relevancy of Strong Point’s work. Without interaction with the executive team, the information is gathered in a vacuum and often becomes stale and eventually ineffective in the strategy and growth development process.

### Time and Patience

This process can be especially frustrating for principals and employees alike who are trying to conduct work and meet other deliverable deadlines defined by customer and business requirements. It is important to note that the analysis, although brief in terms of an overall timeline, is quite an intense process and often not only disturbs smooth running schedules; but often disturbs the “personal peace” of participants. Patience is needed and required throughout this process.

## VI. Assumptions and Risks

### Access

The fundamental assumption in the analysis phase of this 3-Step Action Plan is **ACCESS**. Access to people, places, files and tools that comprise a company’s intellectual property must be given to Strong Point Strategy. Strong Point professionals cannot work without full cooperation and trust.

## **VII. Business Development**

With the full business audit complete and the full knowledge of the company's status as it pertains to all core functions of the business, the foundation is set for planning growth. Armed with an accurate picture of "where we are" , owners and executives along with the Strong Point team and all relevant employees can begin to craft a vision for the "Future State" of the company using the same language as expressed in the "Current State" and with a sharpened and realistic lens through which to look.

The company is now positioned to conduct its first full scale strategic planning sessions. In these 3 to 4 day meetings, preferably conducted off site of regular business operations, plans are defined for the top three to six goals of the corporation for the next 12 months. Strong Point Strategy can facilitate the company's efforts to articulate their plans and vision for the future. Strong Point principals are well versed in the format and functional content of effective strategic plans as well as in the process of facilitating the "brainstorming" and creative thinking required to build an effective plan. It is important that all members of the existing company participate in this strategic planning process since all have to agree to the overall mission and goals of the company for the immediate 12 months (as well as the longer term picture) and commit to owning and executing his or her portion of the plan's key results.

Important Note\*: Strategic Planning is recommended in one year increments with a renewed strategic planning process conducted at the beginning of each year of operations moving forward.

<b>Deliverable:</b> Conduct Strategic Planning Sessions: Draft 1 <sup>st</sup> Version Strategic Plan
---

## Step 2: Complete Market Analysis and Development

### I. Overall Introduction

Now that employees and executives alike know the “**Current State**” of operations (Organizational Analysis and Findings) and the “**Future State**” and vision as defined by the Strategic Plan created collaboratively by all members of the team; specific, measurable, achievable, relevant and timely goals (SMART Goals) can now be created to transition *plans* into *results*. Goals that have been understood and communicated must now become actionable. Actionable growth steps are achieved through the creation and execution of detailed sales and marketing plans. Step 2 of the 3-Step Action Plan to execute strategic growth is to accomplish Complete Market Analysis and Development.

Planning for Business growth requires looking back and “checking where you are” before moving forward. Inasmuch as sales and marketing activities bring results such as:

- |   |
|---|
| <ol style="list-style-type: none"><li>1. Increased Revenue</li><li>2. Incremental Additions to the Customer Base</li><li>3. Incremental Increases in Profitability</li><li>4. Incremental Increases in Infrastructure Costs and Employee Overhead...etc</li></ol> |
|---|

The same holds true for sales growth and market development. Tactically executing effective sales and marketing activities which yield predictable growth results and revenue gains, requires an equally strong knowledge of where the company has been successful. The path of least resistance in terms of increasing sales and revenues is *LEVERAGE*. Leveraging core success is the quickest way to lead and gain future success.

In order to understand and articulate success to new and prospective customers; (customers who will be contacted by the company’s sales professionals that may or may not have been directly involved in *past* successes) a strong business case and track record must be shown and supported in a variety of industries (particularly the one the prospective customer operates in). Building this sales success story can only be crafted by studying the company’s past successes and “retelling” the success story through the eyes of the potential consumer.

### II. What to Expect

Strong Point will closely and cooperatively work with principals and other key professionals who participate in the sales activities of the corporation, to build an accurate picture of the company’s success.

The ability of the business to “scale” and grow beyond the personal actions and presence of the founder(s), rests on the company’s ability to create a standard sales process and standard sales and marketing tools. The company must immediately begin to:

- 1) define a “standard sales approach” (messages, tactics, tools) and
- 2) create standard sales collateral and tools. Example:
  - a. Basic PowerPoint Presentation
  - b. Self Running Demos and/or Webcasts (via the website)
  - c. The creation and distribution of viable and current customer testimonials and recent results (on video or distributable CD ROM) etc.

Detailed and thoughtful measures must be taken to articulate the company's success with passion and energy. This is done through the retelling of past successes in a standard and consistent manner with standard and consistent tools. Teams of sales professionals can now be trained to present a unified sales and marketing message through the use of standard sales and marketing tools.

Prospective customers hear a consistent message and receive a consistent "impression" about the company. The laws of effective marketing begin to take hold and the consistent delivery of unified sales process executed through standard sales tools begins to yield predictable and stable increases in revenue and growth.

### Short Term: Creating a Sales Success Story and Record

The first step in the Step 2 of the Action Plan requires a full audit of the company's sales, customer and market data.

A Full Customer/ Sales and Market Analysis of past successes provide the raw data from which to tell the story of the company's powerful history as it relates to:

- Vertical Industry
- Product Line or Service
- Business Results Realized by the Customer
- Unique or Groundbreaking Approaches
- Quality Product and Services
- Repeat Business

This analysis will also show:

- Who Buys and Why?
- What is the Profile Customer?
- What are the key attributes common to all buyers of the company's products and services?
- What is the most common product/services mix purchased by the customer?
- What are they key business drivers bringing customers to the company?
- Where there are regional, national and/or global successes?
- Who can provide customer testimonials and sign off on public examples of work done?

This kind of data, when summarized, will become the basis for a standard sales presentation conducted by any professional within the company. No longer will the company's sales and revenue success rest solely on the personal presence and the individual sales activities of company principals or executives. The company, and any professional in it, will be informed and equipped to present a standard portfolio of products and services that clearly defines the company's value and track record of success.

### Short Term: Creating Sales Collateral that Conveys Success Consistently

Sales success data, when summarized, becomes the foundation for creating standard sales tools. These tools created and stamped with the corporate "look and feel" of the company work to produce a world-class brand.

Not only are sales success articulated and conveyed by industry, by measurable success or by product line; but each interaction with any potential customer, existing customer or potential partner becomes an opportunity to reinforce the brand. Consistency of message and methods produce the most predictable revenue and growth results.

Longer Term: Creating a Targeted Account List to Build Sales/Revenue

It is not enough to simply create a Sales Success Story and then build Sales Collateral tools around that story. The next phase is to actually build targeted account lists that leverage past success by extending that success to like companies in a specific industry sector.

For instance, find below a simple summary of one Sample Company whose successes were charted by industry:

Financial	Telecomm	Pharmaceutical	Government
Bank of America	AT&T	GlaxoSmithKline	City of Philadelphia
Bank One	Lucent Technologies	Parke-Davis	Dept of Defense
Principal Financial Group	Bell Atlantic		

These customer lists and past sales successes pave the way for securing additional customers in each industry sector simply by telling The Company's Success story through the activation of a standard sales process that uses standard sales tools (collateral)

In this Step 2 of the Action Plan for executing strategic growth, Strong Point will work closely with company executives and employees and others to 1) study the sales data, 2) build the story and sales tools and 3) create the targeted account list that eventually becomes the "customer manifest" for future sales.

**III. Step 2: Project Plan**

In Step 2 of the Action Plan the company can actually begin the work of building revenue and growth. The Strategic Plan is turned into actionable steps that are:

- Based on past successes
- Conveyed through a standard sales process and tools
- Focused on industry specific targeted account lists of companies that share core attributes of the company’s customers

The plan for executing these three steps is outlined below:

<b>2 Week Analysis</b>	<b>Usually One Month</b>	<b>Usually One Month</b>
Complete Customer & Sales Audit	Create Standard Sales Process/ Build Standard Sales Tools	Created Targeted Account Lists by Vertical (example)
Successes by:	Build “Messages”	Financial
Industry	Build PowerPoint	Pharmaceutical
Product Line	Build Printed Leave Behinds	Telecomm
<b>Success Stories</b>	<b>Sales Collateral</b>	<b>Targeted Account Lists</b>

**IV. Concrete Deliverables**

It is important to note that although these calculated growth steps are presented in a linear timeline...much of this work can be performed “in parallel” as a means to accelerate the delivery of real results. These actionable steps, however, cannot be begun until the Business Analysis and Strategic Planning phases of Step1 are complete. The dates for these deliverables are meant to provide a guideline for how growth can proceed.

**V. Resources Required**

As stated in Step 1, Complete Access to 1) Information and Collateral as well as 2) key people is also required for Step 2. Additionally, it is expected that a great deal of time and patience of the people participating in this process be willingly given.

Money

The one additional resource required in this step is money. A basic sales and marketing budget should be defined to create and/or outsource the development of important sales collateral. ( A Budget of \$50,000 - \$100,000 is within range for this kind of development)

**VI. Assumptions and Risks**

Commitment, dedication and allocation of funds are all required for the successful execution of Step 2 in the Strategic Growth Plan.



## VII. Optional Market Development Execution

Since it is a company's goal and intention to realize rather quick and powerful growth...Steps 1 and 2 work toward building that immediate impact. Beyond those activities, it is in the company's best interest to continue along the path of Market Development. Market Development steps require additional monies invested (for purchase and subscription of vital data) to expand the focus of the company beyond its own success and into the realm of the broader market at large. If further resources and studies are applied and allocated, long term growth and effectiveness can be sustained.

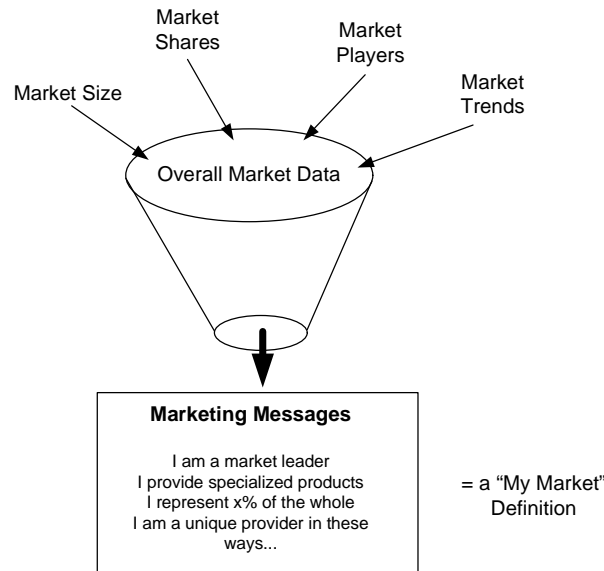
This Optional Market Development Step is outlined here.

### Creating A Global Market View

To execute long lasting market development for any company, it is important to look upon the overall target market through the eyes of a new business owner and/or corporation planning a new product entry into the market. Market Development Analysis provides answers to detailed market questions such as:

- **What is the Size of the Market?** (*express in \$\$ and % of GNP*):
- **What is the Age of the Market?**
- **What are the Recent Trends in the Market?**
  - (*Growing by what %, Declining by what %, leveled off? etc*)
- **How Many Companies Nationwide and Globally are Operating in the Market?**
  - (*# of players*)
- **Who are the Top Three Players in the Market?** (*Identify the Players*)
- Provide detail about their Size, Organizational Structure, Number of Employees
- **What is the Corporate Structure of the Top Three Players?** (*Does it Look like Ours?*)
- Local, National, Regional Global
- **How Many Lines of Business Do Key Players Operate?**
- Product Lines/Ancillary Business/Other Classifications etc.
- **Look Up Press Articles about Market**
- **List Key Marketing and Media Messages about Players**
- (*Industry Press/Marketing Messages/Industry Analysts/Covert Knowledge/Inside Moles*)

What necessarily results from this market analysis is a definition of the company's role in the broader market. A "My Market" definition for how the company relates to the overall market must be formed. Out of this "framing" exercise come key statements like:



and key marketing messages that define the company and its product(s) offering in this market.

**Marketing Messages:**

**We are like...**  
 unlike...

**We have and have not**  
 We will compete on this level and not on this level

**We can**  
 expand our business to...  
 be limited by...

**We don't**  
 have services in these areas

**We could, in the future**  
 follow other examples

This is all information that should be readily available in market data, customer files, corporate intelligence documents and other information and statistics that comprise the intellectual capital of the company. The process is meant to validate, support and restate the corporate "knowns" about the market. This process almost always uncovers new and dynamic information that the company has taken for granted or allowed to get "stale". Very often, what transpires is an "aha" , or several "ahas" that highlight previously drawn conclusions and some corporate assumptions that may no longer prove to be true.

### **Data Sources**

Most companies gain access to this type of market data through sources such as:

SIC Codes, Standard & Poor Business List, Dun&Bradstreet Industry List, Other National Lists, Local Lists, Industry Specific Lists, Business Catalog Information, Company Websites, Trade Magazines, Professional Memberships and Industry Groups.

### **Key Messages and Results**

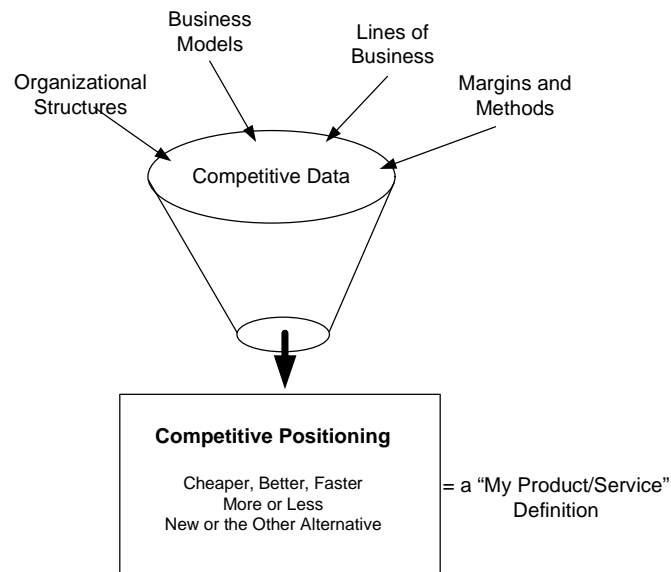
The process and results must be documented fully.

### Creating a Competitive View and Landscape

The research is continued now, with the same data sources and sets; but with a closer look at the key competitors operating in the market. In this section of the study, detailed answers to questions like:

- **Who are the Perceived Key Competitors?**
- **What is the Organizational Structure(s) of Key Competitors?**
- **What are the Main Business Models They Use to Operate?**
- **What Lines of Business are they in? Which are Core? Which are Ancillary? Which are we competing Against?**
- **What is Their Gross Profit Margin for Products offered in our sector?**
- **What Corporate Investments have they made/are they making in this market?**
- **What are their cash Run (or Burn) Rates in this market? Are they similar to ours?**
- **What are their current Business Ratios? Are they above, below or on-par with industry averages?**
- **What are the Business Attributes of the Key Players?**
- **What is their Size/Number of Employees?**
- **What does the Competitive Landscape Look like for Key Players?**
- **Are they Local, National, Regional Global**
- **What are the Product Offerings of the Key Players**
- **Product Lines/Ancillary Business/Other Classifications**
- **What Do Detailed Competitive Messages say about the key Players?**
- **Industry Press/Competitive Messages/Industry Analysts/Covert Knowledge/Inside Moles**

A Competitive Landscape is defined and the specific competitive positioning of the company as it relates to the overall market is also defined.



Key competitive statements and messages are derived and documented.

## Enhancing Sales and Marketing Tools

This continued in-depth research into the market yields more concise:

- Marketing Messages
  - Competitive Positioning Statements
- And
- Company Value Propositions

And works toward improving the company's own knowledge of its target market and customer base. This increased knowledge serves only to improve the sales process and sales and marketing tools created and used by the company to execute growth. This continued study can occur for after initial market development activities have commenced.

### **Step 3: Continue to Support The Company's Core Business**

Although the steps outlined in this proposal can begin fairly immediately and extend through several quarters; it should be noted that Strong Point can not only provide the business acumen, experience and detailed guidance to map out the plan for growth...she can also participate, lead, follow and personally complete the actual work involved in each step. Strong Point Strategy does not provide "ivory tower " advice to its customers. Rather it provides and teaches the steps of strategic planning and growth by living them through the results and experiences of the companies it has helped time and time again.

## A High-Level Timeline for Execution

### Step 1: Immediate Business Analysis & Development

<b>Week 1 - 2</b>	<b>Week 2 - 4</b>	<b>Week 3 - 6</b>	<b>Week 4 - 8</b>
Complete Financial Audit	Complete Technology and Equipment Audit	Complete Human Resources /Organization Audit	Business Process Audit
Chart of Accts	Equipment Inventory	Employee Interviews	Identify Core Processes
Sales Trends	Technology Inventory	Time/Function Maps	Document Core Processes
Profitability Trends	Tools per Employee	Core Functions Defined	Conduct Activity Based Accounting etc.
	Missing Redundant Tools	Strengths/Weaknesses	
<b>Financial Summary</b>	<b>Equip/Tech Summary</b>	<b>HR/Org Summary</b>	<b>Bus Process Summary</b>

### Step 2: Immediate Business Analysis & Development

<b>Month One</b>	<b>Month Two</b>	<b>Month Three</b>
Complete Customer & Sales Audit	Create Standard Sales Process/ Build Standard Sales Tools	Created Targeted Account Lists by Vertical (example)
Successes by:	Build "Messages"	Financial
Industry	Build PowerPoint	Pharmaceutical
Product Line	Build Printed Leave Behinds	Telecomm
<b>Success Stories</b>	<b>Sales Collateral</b>	<b>Targeted Account Lists</b>

### Step 3: Supporting The Company's Core Business and

These efforts are on-going and beyond...

## **A Financial Framework**

### **I. Standard Rates**

The standard rates for Strong Point's services are as follows:

\$250	Per hour for Principal Consultant
\$125	Per hour for Staff Consultants
\$1500	Per day for Principal Consultant
\$1000	Per day for Staff Consultant
Negotiable Retainer	Per month
Negotiable Flat Project Rate	As determined by project

Strong Point Strategy, LLC uses this financial framework as guideline for companies to understand the value of its services. Strong Point realizes that every company has unique needs and perspectives. The company seeks to develop and secure a mutually beneficial financial arrangement with each client.

### **II. Method of Payment**

Depending on the length of the customer engagement, Strong Point professionals prefer to be paid in bi-monthly increments according to the scope and duration of the project.

### **III. Additional Costs**

The only additional costs over an above the fees for Strong Point's Professional Services are those:

- 1) incurred to obtain vital information not available in the public domain
- 2) incurred through any travel to Client Locations in the US and abroad or any to any other locations of Partners, Vendors or Customers that is considered important and necessary to the project and process.

## **Recommendations and Next Steps**

Sharon McCollick, Owner and Principal Strategist for Strong Point Strategy, recommends that the next correspondence is an interactive discussion of this proposal as well as the ideas and content presented herein. She envisions an honest exchange of impressions, thoughts, feelings, questions and concerns.

Thank you sincerely, for reviewing this proposal. Strong Point Strategy, LLC considers it an honor to be viewed as a reliable resource helping to build your business.

Thank you again considering Strong Point Strategy, LLC as a potential resource in this critical endeavor.



## **Appendix**

## I. Background of Sharon McCollick, Principal Strategist for Strong Point Strategy

Ms. McCollick comes to her clients with 20 years of experience in business development with a specific focus on helping companies transition from one level of measurable growth to another. Her greatest strengths lie in Market Development and Sales Strategy and she has the power and experience to execute the Organizational Development and Strategic Business Plans that bring her strategic focus to realized results.

Sharon has an education in Mathematics and Computer Science and both an incredibly wide as well as deep exposure to business acumen planning and operations at all levels of an organization from C-Level (Chief Executive Officer and Others) to staff and line professional positions. She has worked at a Senior Executive Management level throughout her whole career, assuming the roles of Chief Executive Officer, International Director of Sales and Marketing, Global Sales Manager and Trainer, Chief Strategic Planner and Corporate Business Developer, to name a few. Ms. McCollick has developed an extensive portfolio of Business Plans, Strategic Growth Plans, Sales and Marketing Plans and Market Development Plans, which she draws upon to lend her vast experience in planning and development.

Sharon also provides companies with an **Executive Excellence Toolbox™** that comes complete with templates, business models and technology tools that provide tactical aids to executive management teams seeking to execute and successfully complete the important stages of corporate growth.

She has helped take young start-up companies from a few million in sales to \$15 million, \$30 million and onto Initial Public Offering at \$30 million in a two to three year span ( ex: ESPS, Inc.). She has helped medium and mezzanine sized companies manage to break out of the sales bracket defined by hundreds of million in sales, to those cresting the \$1 billion threshold (Applied Card and Cross Country Bank) and has also held executive visionary and management roles which allowed her to implement major shifts in sales and marketing strategy for leading global companies such as Intel and Xerox Corporation. Ms. McCollick also understands the organizational, operational and infrastructure changes necessary to grow organizations and operations from regional, to national, to global operations. She has a strong business and technology background and perspective as well as strong personal definitions and opinions of those often intangible human attributes such as: interpersonal communication, organizational dynamics and individual corporate styles that remain common in all world class organizations capable of continued, rapid, sustainable and stable corporate growth.

Sharon has advised companies in many industries from her foundation in Technology to Pharmaceutical, Financial, Manufacturing and Printing industries to name a few. She has come to recognize both the commonalities and industry specific differences in the general business operations of her clients.

Ms. McCollick plans to provide her expertise with full interest, enthusiasm and intent for producing powerful tools, strategies and plans for achieving recognizable and measurable improvements in corporate growth.