

POINTS OF DEPARTURE



Key Takeaways

- › First and foremost, address the background and history of the company, followed by a business definition
- › Chart financial results specifically
- › Customers and key segmentation of customers is very important
- › Identify the assets and liabilities on your financial balance sheet via a Strategic Balance Sheet

Questions to Consider

- › Where did the business come from?
- › Where does your business stand as it is now?
- › How will you segment customers in order to move forward?
- › Are you paying enough attention to non-financial matters within the business?

INTRODUCTION

The Strategy process begins with a thorough diagnosis. Before setting out on any strategic direction for the future, it is essential to learn as much as possible from the past, to review the pertinent facts and experiences, and extract the appropriate lessons from information and memory.

A full diagnostic looks backward and forward, outward and inward, and takes into account both dynamic and static influences which may have an important impact on the future performance of a business.

Guidance

This section's modules will be focused on:

- › **Background and history**
- › **Clear business definition**
 - › What business are you in?
 - › Do you offer specific or broad services?
 - › Are you involved in a particular segment of the marketplace?
 - › What will your business be in the future?
- › **Financial results**
 - › Sales and Profits need to be charted
- › **Customer segmentation**
 - › "All growth strategies begin with customer segregation"
 - › Focus on learning which customers provide the most revenue
 - › What is the cost of maintaining the customer base?
- › **Cash flow elements**
 - › Consolidate expenses before and after financing
- › **Strategic balance sheet**
 - › What are the hard assets and liabilities
 - › What are your brand's strengths?
 - › Understand your business's current status

Look at your business beyond finances, remember that customers, branding, innovation, financing, capabilities, and market position are hugely important too. It is important to take these into account when bringing your business into the future.