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Contents

Getting started

Audience

This course is aimed at consultants who wish to use the Red3Sixty Growth Accelerator program with their clients.

The Growth Accelerator program is aimed at larger businesses that typically have successful products and markets. They will typically employ several staff with functional specialisation and role differentiation, some of which might be in pure supervisory or managerial roles instead of merely technical or execution-type roles.

The program should be conducted with the senior business leadership team or with a project team who has access to all the information and people in the organisation, and the authority or mandate to implement changes.

Course materials and prerequisites

The course consists of this manual and a series of training videos demonstrating some of the practical steps required to use the tools.

To benefit from the course, you will need:

- ☑ consultant access to the Red3Sixty portal
- ☑ a solid understanding of the consulting process
- ☑ an expert understanding of how business works

It is highly recommended that

- ☑ you read the book Play to Win, by Lafley and Martin, as the module builds on this basic framework
- ☑ you familiarise yourself with the Business Builder content
- ☑ you review the Business Builder handbook for Consultants for tips on how to manage the consulting process

Learning objectives

At the end of this course, you will be familiar with:

- the Play to Win strategy development framework
- appropriate interventions to apply at each of the 5 steps in the framework
- using the content in the Growth Accelerator Program to assist your client

TIP: In thinking about your value proposition and competitive differentiator, consider that there is an infinite amount of advice, books, podcasts, training courses, and so forth on the internet. Your client is probably not engaging you because they need to be taught the skills — they can acquire this through self-study.

Your role as a consultant is often that of curation (picking the appropriate tools and methods, and concepts), providing objective and honest observations to the client, creating and enforcing accountability (see below), and providing support/help when the client gets stuck.

In short, you should aim to become the client's Trusted Advisor and expert

This is even more true with the more complex tools that come into play with larger transformation or scaling-up initiatives. Consider building a circle of experts that you can consult or bring into the work with your client where your own expertise falls short.

The Growth Accelerator Survey

Establishing the baseline

There are four opportunities to conduct the survey with your clients:

- as part of your sales process
- during your initial consultation
- to check progress and pick new priorities after you have been working with the client for 6 - 12 months
- as part of closing out the engagement with the client

You should always attempt to use the survey to establish a baseline as part of your sales process or as part of your initial consultation with your client

TIP Clients will have a wide range of assessments of the relatively subjective measures for each question. Some will rate themselves overly harsh, based on the scope for possible improvements. Others will give themselves higher scores than they probably deserve. See below for strategies to deal with this.

The benefits of using the survey as part of a sales process

When working with a prospective client, you can complete the survey with them as part of your sales process. Given the complexity of the survey, we would not generally recommend that you ask the client to complete the survey on their own.

The benefits of using the survey as part of the process include:

- ☑ demonstrating that you are looking at the business professionally and from a holistic viewpoint
- ☑ forming first impressions about the client's personal style, capacity, and nature of their business — this also helps you to decide if this is a client that you want to help/are able to help
- ☑ obtaining some preliminary financial performance data
- ☑ giving you a view of the client's longer-term objectives in terms of growth aspirations and exit strategy

If your prospect completes the survey online, ensure that you get back to them within 48 hours of the completion to schedule a follow-up discussion where you can talk about their results and how you can assist them in improving their business.

TIP If you choose to complete the survey with the client in a discussion/interview format, you get all of the benefits above, plus the benefits of using the survey in the first consultation session described below.

An hour spent with the prospect is much more likely to result in a successful sale. You can position this as the first hour of consultation is FREE.

Using the survey as part of your initial consultation

If you have just met the client, establishing trust and rapport is one of the critical goals of your first consultation session. See the Business Builder for Consultants manual for more suggestions on the all-important first session.

Talking through the survey with the client has the following additional benefits over and above those listed above:

- ☑ engaging the client in a question-and-response dialog format sets the tone and expectations for how the coaching relationship will work
- ☑ you start building trust with the client as the survey encourages them to disclose information about their business that they would not normally disclose to strangers
- ☑ you can explore why the client rates certain answers high and certain answers low, which gives you some ideas of where they see the opportunities, challenges, and strong points of themselves, their teams, and their business
- ☑ you can gently calibrate some of the answers towards more realistic assessments by asking probing follow-up questions if the client is scoring consistently high or consistently low.
- ☑ you can identify and even possibly decide on one or two key priorities to focus on in the coming months. The process will make the client realise or believe that there are a large number of areas that need their immediate attention. Your job as a consultant is to assist them with the one or two that will make the most impact and guide them through the journey in a logical manner.

TIP In this session, consider using only your coaching skills and leave your analytical mind behind the screen. Open, curious questions will elicit a lot of information that will be useful in your future work.

Evaluating the survey scores

Online questionnaire and/or Growth Accelerator Grids spreadsheet

One of the tools we provide on the portal is an Excel workbook version of the online questionnaire. The workbook has a few advantages over the online survey:

- ☑ in the Detailed Questions worksheet, there are detailed descriptions of the types of proof points (activities, processes, insights) that you should be looking for by question under each of the ratings (i.e. what would a 2 look like vs a 5 for this question). This makes it easier to get a more realistic assessment (see below)

- The Detailed Questions worksheet also allows the ability to not only score the current position, but to put a future target against that specific question. This should be achieved by implementing the activities or processes to move the score to the next level. The target scores will get completed later when you agree on the priority areas for the consulting engagement.
- The Chart worksheet shows a simple graphical representation of current vs future maturity against the five core modules.
- The Structure worksheet is a repetition of the information in the Growth Accelerator PDF brochure, and is useful for reference during planning or the sales process.
- The Action Plan worksheet has some suggested actions/tools for each of the questions and levels of maturity to assist you in identifying specific activities and tools to apply to the business to increase that specific component.

The disadvantage is that the online questionnaire prints a nice PDF report which could be part of your proposal documentation to the client. If your client is looking for those documents, you could transfer the scores to the spreadsheet later to form part of your engagement management process.

Analytical rigor

As mentioned in the Business Builder Consultants, manual clients' subjective assessment of their business will vary significantly from one business to the next. Over time you will form your own impressions of the true score for each area and what the types of questions are that would give you a better view of the actual situation.

You will also be able to judge fairly rapidly if the client is overly harsh on themselves, have a realistic view of their business, or is overly generous in their assessment of themselves. This might be based on a lack of knowledge of the required skills and processes, a lack of deep reflection on the business, or simply protecting the ego if this client is at the beginning of their journey.

In the Business Builder training, we advise you to decide if you wish to challenge the client's assessment and potentially make it harder to build trust and rapport or if you will use their assessment to deepen the conversation about core focus areas.

TIP: Because the Growth Accelerator program is more intensive and focused, we would recommend that you are more rigorous in seeking evidence for high scores in any of the questions (e.g. your client cannot give themselves a 4 or 5 until you have proof that they are operating at that level of maturity. Validating the scores should be part of the initial diagnostics done in months 1 & 2 of the program (see below)

Whichever approach you choose will result in the highest scoring area, the lowest scoring area, and a spread in between. You will likely have similar scores across the various components. Companies typically have to get most of these components to a certain level of maturity and competence to grow to whichever level they are.

In collaboration with the client, you apply the results as follows:

1. Identify the core challenge that the business is facing and the main area of weakness in the planning framework (e.g. not clear on competitive advantage - How to Win)
2. Check if this is the burning platform — a business struggling to generate sufficient cash to pay its bills should probably be driving sales and delivery and cash management rather than upgrading systems and processes.
3. Because of the iterative and interdependent nature of the Play to Win framework, it is usually not constructive to do the modules out of sequence. However, if the survey and discussion with the client identify one critical weakness that is completely out of line with the rest of the focus areas, it might be more constructive to structure the consulting engagement around a specific project to improve just that one area (e.g. staff performance and culture)

Using the survey as a periodic look-back and redirect

After working with the client for some time, you can use the survey to check if you and the client have been delivering on the intentions set in the first session.

These are some considerations in choosing when to do the survey and how to manage the responses:

- ☑ you will typically not see much progress in hard, measurable performance in the first 6 to 9 months. After six months, you should have some short-term wins and some changes in tools, behaviors and other deliverables from working with the client
- ☑ after 12 months, there should be a real improvement in key measurements or KPIs that you will have established with the client. These should start driving the business performance
- ☑ you should by now have a relationship built on trust, collaboration, and rapport. Your client will be much more open about the “dirty laundry in the back room” of the business, and your conversation will be much more intentional and productive than the first session

- with a deeper understanding of what appropriate and excellent performance looks like, your client might assess themselves lower than they did when they did not have the knowledge that you have been imparting to them
- you should do this at the end of the agreed engagement as part of a close-out and next steps discussion with the client

Taking all of this into account, we recommend you have the original baseline assessment available and compare the new results with the old ones. You could even use the baseline results as a prompt in the review by asking how much the client thinks they have improved the score since the baseline was done.

If the client ranked themselves excessively high in the initial baseline, you could also turn the question around and ask them if they would now rank themselves lower than they did when you started the engagement.

Either way, it is useful to show the improvement. Capturing the baseline and new scores in a spreadsheet is a powerful demonstration of the actual improvement.

The purpose of this exercise includes:

- allowing the client to reflect on how much progress they have made and celebrate the wins
- getting an extension of the contract if you are doing this at the end of the first agreed engagement period

TIP The incremental benefit of doing more than 1 or 2 of these checkpoints depends on yourself and the client. However, as the scores are subjective, too many repeats could result in a ticking-the-box" exercise which is not constructive.

After 12-18 months, you should have migrated your client to more meaningful objective KPIs during the consultation. You should have real hard data to support conversations about the next round of performance improvement initiatives.

The Growth Accelerator program

Program outline and structure

The program will typically follow a sequence very similar to the one below. Whereas the Business Builder program has some leeway in which modules to do first, the iterative and interdependent nature of the Play to Win framework only works if you start at the high level / big picture (Aspirations) and work your way down into the more detailed questions as each module builds on and refines the answers from the previous

Note that the framework itself suggests that you should revisit the previous steps if new information comes to light that would invalidate previous assumptions or push them in a new direction (pivoting).

Aspirations

What are our winning aspirations?

Aspirations define the purpose of the business and where your client wants the business to go. A lot of current thinking in business strategy takes into account the impact the owner wants to make on the world, and considerations such as environmental, social, and governance (ESG) and corporate social investment (CSI) are becoming more important to attract customers as well as recruit and retain talent from the younger generations. These are, in effect, shareholder requirements that go beyond traditional dividends and financial returns on investment.

The tools in this module focus on the fact that any business should generate a return on capital invested and cash to support or enable any other shareholder's CSI or ESG aspirations.

TIP It is important to have the framework in mind when starting the process of defining and translating your vision into strategy and, ultimately, execution to achieve that vision.

This module aims to answer these questions: What are your client’s aspirations for the business? What are their partners/shareholder aspirations? What are their employee's & operating communities’ aspirations? How will this link translate into shareholder value?

Once they have defined their vision, they need to be able to translate this into financial targets and an execution plan. You might be interested in researching current thinking about linear strategic planning as opposed to exploring adjacent possibilities that are moving the business incrementally towards the purpose of the business if your client is not a fan of traditional 5-year strategic plans with milestones etc (see more below)

Key module concepts

1. **Organisational alignment model:** how will the vision be cascaded through the business ensuring that each business unit and the person knows exactly what is expected and how success will be measured.

2. **Shareholder value model:** this model ensures the three main levers driving value are considered i.e. how will your client grow? How will they manage efficiencies? How will they manage capital?
3. **Culture model:** what is the current culture? For your client to achieve their aspirations, what is the desired culture? Ultimately they need people to execute the strategy, and if this is to happen, they need to understand the culture and how to motivate people
4. **2-5 years financial plan:** what are the financial targets to ensure sustainability? Your client needs to plan and forecast financial performance that will be cascaded down to sales, marketing, and operations.

Action steps

Follow these steps with your client on the first pass through the aspirations module.

1. Define aspirations using the shareholder value model.
2. Determine what the ideal culture would be to achieve the vision.
3. Conduct a culture survey.
4. Determine the change in culture needed and process to transform to the desired culture
5. Draw up a 2 to 5-year financial plan

Culture vs Strategy

It is often said that "culture will eat strategy for breakfast". Research confirms that companies with strong cultures are more able to be resilient and adapt to rapidly changing market circumstances.

Culture, at its simplest, is simply the company's values and how those translate to habits. Habits, again are behaviours that we repeat. To create a culture the leaders, therefore, have to identify which values are important, which behaviours they will encourage and reward in both themselves and their employees, and which behaviours will be punished or disallowed.

TIP: The early exercises in the strategy workbook in the How to Win module will assist you in defining purpose and values with your client. Many companies already have vision and value statements that are generic and boring most of the time. We strongly recommend that you help your client translate these into meaningful and simple descriptions of behaviours. Examples:

- ☑ Honesty becomes We tell the truth to employees, shareholders, suppliers, and customers.
- ☑ Respect becomes We listen to the opinions of others and value those who are different.

The article about the linkage between culture and strategy, combined with the culture survey and presentation will assist your client in understanding what their current culture looks like and how to start encouraging different behaviours to move the culture towards a desired future that supports the aspirations.

Growth strategy

Stated aspirations in a strategy or plan ensure clear communication and alignment of employees. Clarity and purpose create a culture in the business aligned with the execution and delivery of business aspirations. The strategy presentation is a handy reference sheet for various strategic thinking frameworks and tools. We recommend that you familiarise yourself with the various models.

Shareholder value

The shareholder value presentation is an overview of one of the more sophisticated ways to define financial and growth aspirations in measurable terms. The financial modelling tool provided on the portal can be used to project and predict some of the important financial ratios.

TIP: Traditional strategic planning often comes up with long-term linear plans that define a future point as an endpoint and then plan how to get from the current position to that point. The technique has fallen into disrepute as those plans often end up “gathering dust on the shelf” when reality does not turn out to be aligned with the plan assumptions.

Modern strategic thinking advice is to choose a broad general direction and then focus execution planning on finding and testing adjacent possibilities that lead in that broad direction. The Play to Win framework can accommodate this thinking by shortening the time horizons of the choices and tradeoffs from 3 years to 3-6 months and applying a more explorative approach to the research and data inputs into the various blocks.

Tools such as the five-year financial forecast should then become less prescriptive and rigid but remain a critical part of the assessment of possible outcomes of multiple different scenarios. An example would be evaluating different capital investment scenarios under the Capabilities module when making trade-off decisions around manufacturing components or products in-house vs sourcing them from other manufacturers.

Where to play

With which products and in which geographies will the company compete?

Planning and meeting market demand is key to determining what market your client will serve and how their order fulfillment process will deliver on this demand. Are they in the right market at present? Are there adjacent markets that they can serve? If they are planning a change in strategy, how will this affect work-in-progress (WIP) resources or inventory?

Work-in-progress (WIP) represents the resources your client has in place (including inventory) to deliver on customer orders. Inventory must be managed to ensure your client can meet current and forecasted order fulfillment demands. Declining sales and ageing inventory could signal a change in market demand for products and if not managed, could tie up working capital and ultimately lead to financial losses. Therefore market and sales demand forecasts should be linked to resource management, and changes in the market and market-linked product strategies must consider WIP and resource allocation.

Key module concepts

1. **Market segmentation:** Market segmentation is a marketing strategy in which select groups of consumers are identified so that certain products or product lines can be presented to them in a way that appeals to their interests.
2. **Marketing assessment:** A market assessment is a comprehensive analysis of your client's competitors, consumers, and other industry stakeholders. This is a critical part of their company strategy — a market assessment enables them to understand the need and demand for its business offerings in the market.
3. **Work-In-progress trend analysis:** WIP trend analysis involves comparing financial statement data over a series of reporting periods to see the trend or pattern of financial information on the operations of a business from period to period.

Optional elements linked to where-to-play

1. **Lead generation:** getting people interested in your client’s business and gradually moving them through a pipeline to become paying customers. The ability to generate sufficient leads needs an adequate understanding of target market segments from the where-to-play module.
2. **Demand generation:** Demand generation creates awareness and interest in a company's products and services. Your client can also use its techniques to penetrate new audiences.
3. **Website maturity:** Most consumers will research product information before purchasing online or in-store. This buying behavior trend emphasises the importance of a website for today’s businesses. If your client wants their company to be successful in the modern

marketplace, they must have a professional website design. Their website is the backbone of the business that supports all of their digital marketing efforts.

Action steps

Follow these steps with your client, and implement a process to do so regularly (at least annually)

1. Review market segmentation
2. Conduct marketing assessment
3. Conduct Work-in-progress trend analysis

Work-in-progress trend analysis

The main objective is to note the increases or decreases, if any, in WIP. The comparison may spark greater interest if there are obvious discrepancies or differences, prompting management and investors to look deeper into the operations to understand the causes.

An increase in the ending WIP inventory from period to period may indicate that

- ☑ that there is an increase in the demand for the company's products if sales levels also show an upward trend;
- ☑ that the company is manufacturing more or faster than it can sell if sales levels are decreasing or remain relatively stable/constant;
- ☑ that the production process may be experiencing a slowdown and cannot complete products fast enough to meet deadlines, resulting in excess WIP inventory, if Sales levels show a downward trend (i.e, lost sales because of inadequate stock availability)

A decrease in the ending WIP inventory from period to period may indicate

- ☑ that the company is not manufacturing enough products;
- ☑ that the production process is not fast enough to manufacture products to meet the current demand;
- ☑ that there is a weakening in demand for the company's products,

These signals should prompt management to revisit its production processes and marketing programs.

Other important tools

The following tools from the portal are important to apply in this module

- Business Model Canvas and Customer Value Proposition Canvas for understanding your customer markets/segments and routes to market
- Market segmentation and Demand Generation analysis to compare various market segments and your client's efficiency in allocating resources and generating high-quality opportunities
- Lead generation and website maturity assessments measure the effectiveness of the tools and processes in generating leads from the chosen markets
- Growth planning allows profitability forecasting for the portfolio of products and services your company offers (these should line up with revenue aspirations!)

The Ansoff matrix is also a useful tool in this module to structure the conversation with your client towards OKRs or projects that will leverage the existing company strengths and reputation into market penetration as well as finding new customers and markets.

How to win

What is our clear value proposition and our path to competitive advantage?

Your client's Top Line Revenue Growth is a direct result of their strategic decisions. If their revenue is not growing yearly and/or is not keeping pace with their industry, their strategic decision-making and execution need improvement.

To shift your client's business from just playing (or playing not to lose) to playing to win, they will have to adopt a more aggressive approach, which includes:

- ensuring that financial performance is aggressively reported and measured. The business needs to deliver on budget and as per the forecast
- measuring and improving staff performance in line with the business strategy
- establishing and monitoring a risk profile to ensure preemptive risk management
- executing the strategy and
- 100% alignment of customer service and delivery processes.

Your client's business must act consistent with their how-to-win choice. Cost leadership and differentiation have different imperatives that should lead to different sets of activities within a company.

- ☑ Structuring a company to compete as a cost leader requires an obsessive focus on pushing costs out of the system, such that standardisation and systemisation become core drivers of value. Anything that requires a distinctive approach is likely to add cost and should be eliminated.
- ☑ In a differentiation strategy, costs still matter but are not the company's focus; customers are. The most important question is how to delight customers in a distinctive way that produces a greater willingness to pay.

Key module concepts

1. **Cost or differentiation leadership choices**. Both cost leadership and differentiation require the pursuit of distinctiveness. Your client will not become a cost leader by producing their product or service exactly as their competitors do. They will not become a differentiator by trying to produce a product or service identical to their competitors. To succeed in the long run, your client must make thoughtful, creative decisions about how to win. In doing so, they enable their organization to sustainably provide a better value equation for consumers than competitors do and create a competitive advantage.
2. **Financial ratio analysis**: how do these choices affect financial performance? Does your client need to make changes? Do they need to aggressively manage costs? If pursuing differentiation are the additional costs linked to that strategy sustainable?
3. **Win-loss analysis:** understanding why customers are or are not being will ensure that your client adapts their strategy to align and increase their win rate.

Optional elements linked to how-to-win.

1. **Risk analysis:** what are the current identity risks and plans to mitigate or accept these risks
2. **Bid no Bid assessment:** ensures that the sales process is aligned with strategic choices.
3. **Customer survey:** what are the current customer satisfaction levels? How can customer feedback be incorporated to increase your client's win ratio?
4. **Employee satisfaction:** are employee satisfaction levels high? Is this resulting in high levels of engagement?

Action steps

Follow these steps with your client, and review the analysis and results on a regular basis (at least annually)

1. Review cost or differentiation leadership choices
2. Conduct financial ratio analysis
3. Conduct win/loss analysis
4. Conduct customer and employee satisfaction surveys

Financial performance: a different way to think about Budgets

Many clients resist the idea of setting and tracking Budgets and view Budgets as boring or restricting or unnecessary. You should address these historical and inaccurate perceptions early in the planning process.

A suggestion could be to tell your client to forget about Budgets and start talking about Targets and Resources. To the untrained eye these look exactly like Budgets as they use the same format as the income statement: monthly and annual revenues, cost of sales, gross margin, overheads, net profit, etc.

The three key differences between Budgets and Targets and Resources are this:

- ☑ Targets show how much your client plans to grow their revenues. You could even split these into the Ansoff categories of revenue growth from market penetration, revenue from new products, new customers, new geographies, etc. These are effectively your sales team's targets (retention, growth, new business)
- ☑ Resources reflect the monetary value of the resources required to deliver those targets. Material costs, staff, equipment, facilities, energy, communications, marketing and all the other Cost-of-Sales and Overhead line items reflect the allocation of money towards resources that are planned to be utilised or consumed in creating the Value Proposition and delivering it to the customer.
- ☑ While budgets appear to be cast in stone, Targets and Resources are flexible and under client control. If they are not achieving their targets, they need to review the impact and allocation of resources or change their targets to what can be realistically achieved with the available resources. If they exceed their targets, they have additional cash, which can be applied to more resources required to deliver value to the customer or invest the extra resources into even more growth.

The Business Model Canvas illustrates this concept very effectively with the way that the Costs and Revenue boxes are linked to the left and right-hand sides of the canvas, respectively.

Your client will not achieve significant changes in meeting their targets (revenue growth) without changes in the allocation of resources (overhead and other costs). Part of your job as a consultant is to help them understand this and teach them to estimate and manage their Targets and Resources more accurately and realistically.

TIP: The portal contains a comprehensive ratio analysis tool that will assist your client in developing more traditional financial performance ratios that would be a requirement to predict or measure the efficiency of various choices, report to shareholders, as well as inputs into growth financing. If you are not comfortable with financial management concepts and your client does not have the skills inhouse, this could be an area to bring a specialist consultant or partner into the work with your client.

Managing staff performance

Simplistically put high, performance teams require 3 components:

- the right skills: this responsibility lies 100% with the business as it relates to understanding the activities that staff need to perform, recruiting effectively, and developing and retaining skilled employees
- the right tools and processes: this also lies 100% with the business as the leadership team defines what outcomes are required and equips employees with tools and processes to achieve those outcomes. Measurement and control of the processes fall under
- the right attitude: this responsibility is shared between the business and the employee. It is up to the business to create a culture (accepted behaviours and habits) where the employee feels valued and included and where they are recognised for their contribution. It is up to the employee to bring their passion and commitment, and energy to the work.

TIP: There are several tools and modules in the Business Builder module that will assist your client with skills assessment and could guide job descriptions and recruitment, as well as a highly developed field of thought around performance management and employee motivation. Staff performance is also highly correlated with operational efficiency frameworks such as role mapping and process definition — see Capabilities below.

Risk management

A more aggressive approach to market competition means the business will accept higher risks for higher potential returns. These risks could be related to investment, research and development on a new market or product entry, responses to competitors, structural risks in their operating environment, changing customer requirements, etc.

Your client should develop habits, processes, and tools to drive the systematic assessment of these risks and plans to manage or reduce their impact on the business.

The portal has some templates for:

- ☑ risk assessment and management plan
- ☑ win/loss analysis on deals
- ☑ go/no-go decisions on submitting bids

TIP: From a strategic risk management viewpoint, the idea of exploring adjacent possibilities is very attractive compared to the traditional (dare we say ego-driven) approach of taking big bold steps that place the entire company in jeopardy. As opposed to "betting the farm" to make incremental changes that could result in a catastrophic failure, one should consider a small experiment that tests a radical change that, if it fails, is not catastrophic. If it succeeds, however, it is much more likely that such a radical change will be sticky and will scale rapidly.

Example: Instead of changing the remuneration policy for the entire company a little bit, test a radical new policy in one department or team and roll it out if it works.

Client servicing

There is a significant body of work around measuring and managing client service, including Net Promotor Score (NPS), LTV:CAC, and Customer Expectation Management Methodology (CEMM). To assist your client in determining what the appropriate metrics and frameworks are, you need to understand *among other things*

- ☑ the nature of your client's revenue streams (recurring revenue vs once-off)
- ☑ lead generation strategies (digital marketing, referral, returns)
- ☑ value vs cost pricing strategies of the competitors
- ☑ customer procurement processes and buyer profiles

- ☑ the critical components of the value proposition and the link to activities performed in the delivery of those critical components
- ☑ critical touchpoints on the customer journey

In short, a your client needs to develop a deep understanding of what their customers expect.

Capabilities

What activities and competencies support the where-to-play and how-to-win choices

Capabilities describe the resources and processes required to support the how-to-win and where-to-play modules. To effectively deliver on these, the business' capabilities must be optimised and aligned through

- ☑ effective task management and mature project management
- ☑ business process optimisation to ensure the ability to consistently deliver services and products
- ☑ ensuring that the delivery meets the required standards of quality
- ☑ measurement of overall business delivery and scheduling with dashboards and/or balanced scorecards (BSC)

Key module concepts

1. **Project and task (workflow) management:** The body of knowledge linked to turning ideas into projects with plans, timelines, resources, and measurable outcomes. It also describes management processes to ensure that projects remain on track and deliver the expected outcomes. Waterfall, Agile, Prince, and other project management methodologies would be suitable, depending on the nature of your client's business. Large companies need a process for assigning tasks to employees and tracking completion. These types of processes lead themselves to automation (see systems).
2. **Process standardisation and optimisation:** The tools and techniques for mapping activities and roles and responsibilities for your client's operations and standardising processes to eliminate waste, speed up cycle times, and ensure consistent outputs. Without these tools, your client's business will reach a natural barrier to growth due to the inefficient distribution of information, inconsistent delivery against the offer/promise to the customer, and extreme difficulty in recruiting and training staff for replacement or expansion.
3. **Quality management:** The systematic approach to ensure that products and services meet the minimum requirements and expectations of your market and customers.

4. **Measurement and control:** Without measurement of activities and processes, your client will be unable to ensure that company performance meets requirements, identify and resolve issues, and drive continuous improvement.

Action steps

1. Conduct the project management maturity assessment
2. Review the current status of standard operating procedures — SOP — by compiling a list of training materials, policies, process flowcharts, roles, and responsibility matrices, job descriptions, and other documents that describe and control the activities flow.
3. Review current KPI dashboards, balanced scorecards, or other tools your client uses to create visibility and control of activities at senior management levels
4. Review quality management systems

Project and task management

The Project Management Maturity Assessment tool is a good starting point for evaluating your client's current capabilities. Depending on the nature of your client's business, the establishment of standard operating procedures and implementation of Lean or Six Sigma frameworks would be important projects to enable the scaling of the business.

TIP: It is typical for businesses who are moving from Stage II - Survival to Stage III - Success to have a large portfolio of products and services, some of which are highly customised to specific customers or markets or are legacy offerings that formed part of the growth to the current stage. Often some of these have low margins or, even worse, no clear view of the gross margin contribution.

Before you can effectively streamline and standardise operating procedures to prepare for scaling up, you need to conduct a portfolio rationalisation exercise.

The portfolio rationalisation exercise has three steps:

1. Determine which offerings can be standardised or combined with similar ones by removing features that customers do not value or require — i.e. they will pay the same price for a similar, simpler, or lower quality product.
2. Rank the products and services by total profitability at a gross margin level and calculate the basked of offerings that contribute 80% of the total gross margin — this is typically 20 - 30% of the total portfolio of the company.

3. Eliminate all the products and services in the tail unless they have strategic importance or significant future growth potential (e.g. retaining a key customer or maintaining a competitive position in a niche market, or are part of your product development pipeline)

Quality management

The requirements for formal quality management processes and accreditation are highly dependent on the where-to-play and how-to-win decisions. For some markets, it is an entry barrier (e.g. pharmaceutical manufacturing), and for some, it is a competitive advantage (e.g. accounting services). Note that competitive advantage should translate into more sales and higher margins — beware of the trap of delivering the highest possible quality in a commodity market where the customer is not willing to pay for the additional quality.

Quality management as a discipline is very important no matter what form it takes, as ensuring consistent delivery of the customer promise is not only critical for future growth but impacts the bottom line by reducing waste and rework costs, as can be measured by the cost of non-conformance.

In its simplest form, quality management means being able to define what the required level of quality is and how to measure it.

The ISO readiness survey and ISO presentations in the modules give some more information on this particular accreditation should your customer decide that the investment in ISO is a strategic imperative for either of these reasons.

Bringing it together: KPIs and dashboards

The combination of structured project and task management through standard operating procedures and quality measurement will result in consistent and predictable delivery of value and service to your client's customers.

The next step in bringing this together is establishing a set of measurements to allow the leadership team to step away from daily operations at the micro level while still having visibility and control of operational performance.

TIP: Modern technology allows the measurement of thousands of data points. The art of measuring for control is determining which performance indicators (PI) are critical for that specific activity and devolving accountability and authority to respond to the lowest possible level (those closest to the action). In multi-tier operations, these performance indicators can be consolidated into higher-level key performance indicators. When combined with root-cause analysis, this frees up management time to focus on critical deviations.

When it comes to KPIs, Less is More.

An example application of capability tools: OTIF (on-time-in-full) failure

Items that are measured and have processes or policies defining activities and required performance levels are shown in *italic blue*

On-time-in-full (OTIF) is a common supply chain KPI that is the outcome of performance against several lower-level performance indicators (PI).

To pass OTIF, the order has to be delivered within the promised window (*On Time*), and all of the line items in the order have to be present (*In Full*). *On-Time (PI)* is typically defined as a *customer promise order lead time (PI)*, e.g. your order will be delivered 5 working days after we receive payment (*Customer promise policy*)

If an order fails *OTIF (KPI),* the *root cause analysis (process)* will determine the reason why and *apply corrective action (process)* if it is something within the control of the organisation. One path through such a decision tree for an order that failed *In Full (PI)* could look like this.

1. The logistics provider (outsourced supplier) could not *deliver the product (process)* because there was no stock in the warehouse.
2. *Warehouse stocked out (PI)* because Production did not *manufacture the product (process) in time (PI).*
3. Production did not manufacture in time because the supplier could not maintain the required *raw materials level (PI)*
4. The supplier did not have enough raw materials because we did not tell them how much we would need as part of our *supplier management (process)* when we did our medium and short-term *production planning (process)*
5. We did not tell the supplier about the requirements because we did not have an *accurate sales forecast (PI)*
6. We did not have an accurate sales forecast because the Sales Team does not value the importance of the *sales forecast (process)* and found it easier to just blame the supply chain for failure *(culture problem)*

Resolution: discuss *sales forecast accuracy (PI)* with Sales Team Manager and incorporate it in *performance management (process)* until behaviour changes.

Systems

What systems, structures, and measures are required to support the choices?

Strategists must define the systems, structures, and measures required to support the framework choices. This framework can be applied at all company levels, including the organization level or strategic group.

Business systems must be implemented to automate the delivery and tracking of all core processes of your client's business. A specific focus must be given to financial systems as this will result in more free cash flow. Creditor payments need to be improved and automated. Automation and optimization efforts need to be focused on the end-to-end order-to-cash process, as this is the most critical process in the business.

Key module concepts

1. **Cash flow management:** Billing, invoicing, and debtor management should be automated as far as possible to increase free cash flow through an accounting department with Key Performance Indicators (KPIs) and regular reporting capabilities.
2. **Use of technology:** System and process performance can be continually improved through the incremental or innovative application of technology to automate activities, which will increase the speed and accuracy of executing those activities and allow better tracking and control.

Action steps

1. Review current financial operations and accounting systems for the effectiveness of managing the cash flow and delivering useful, accurate, and timely management information.
2. Review the level of automation of all processes identified in the Capabilities module. Evaluate each process for ease of automation and calculate the cost-benefit tradeoff.
3. Review the current use of technology and automation in your client's competitors, and take a forward view on any emergent technologies that could simply disrupt the current modus operandi.

Technology implementation considerations

In the current business environment, there exists a plethora of software and hardware solutions for any imaginable business process.

The challenge of implementing systems and automation are myriad, and there are some important considerations when working in this space

- ☑ which processes are repetitive and predictable and lend themselves to some level of automation
- ☑ which processes require data inputs from previous steps or pass data to the next steps
- ☑ where would an increase in speed and accuracy be worth the investment in systems or automation
- ☑ where does automation reduce operating costs, increase consistency or quality, or reduce cycle times
- ☑ what is the trade-off between the complexity of passing information between different systems vs integrating everything in one system

Typical early candidates for system implementation and partial automation include financial transaction management (accounting system), sales and marketing automation (CRM systems), customer service management (ticketing systems), demand forecast, and planning processes. The sharing of databases between divisions (e.g. customer address and contact details) is also a potential early-stage system. Production performance and quality metrics are also early candidates for measurement but are often done in spreadsheets.

More mature businesses might decide on more integrated systems such as collaborative workflow or project management tools, Enterprise resource planning (ERP) systems, Internet of Things (IoT) devices that feed into various dashboards, etc.

TIP: It should be obvious that having clearly defined processes, activities, and measurements and a view of the current baseline performance is a necessary precondition to implementing systems and automation. Avoid the temptation to automate broken and inefficient processes, as it will only lead to the amplification of errors and poor performance, wasted money, and employee resistance to future IT projects.

Managing the consulting process

The Business Builder Consultant manual has an entire chapter with tips on how to manage the logistics of the consulting process. We strongly recommend that you familiarise yourself with that content.

This section touches on things that are specific to the Growth Accelerator toolkit.

Strategy workshop

Some consultants find it useful to split strategy development into the two activities of

- ☑ *Strategic thinking*: what are our vision, purpose, and values; where do we want to go with the business in the medium and long term; what are our priorities and challenges that we need to overcome; where and how do we generate growth, etc.
- ☑ *Execution planning*: what projects, tasks, and initiatives do we need to execute in the next 3 to 12 months to move us closer to our goals; how will we measure success on these initiatives; who will be accountable for delivering them; what conversations will we have every month to ensure that we remain on track.

The strategy workbook in the How to Win module can be used as a framework for a full-blown workshop to take your client and their leadership team through generating the inputs to the various choices above.

This strategic funnel can also be used together with an explanation of the Play to Win framework to help your client and their leadership team understand the scope of work as well as the process and timelines required to move through all of the steps.

Project management

Due to the complexity of the work that you will be doing with your client, we highly recommend the use of formal project management tools and techniques. These should include

- ☑ a structured and accessible space for saving and sharing project documents, work in progress, analytical results, etc.
- ☑ a shared and accessible project plan covers the duration of the engagement and the core deliverables as well as the major tasks that contribute to reaching those deliverables (see above for the default 12 months plan). It is probably not necessary to plan the Growth Accelerator program at a daily or hourly task and resource allocation level.

- ☑ clear allocation of tasks and deadlines to the most appropriate staff members, regular (weekly or bi-weekly) tracking of progress vs plan and corrective action to catch up on overdue items
- ☑ , a senior management steering committee that meets monthly or quarterly

If your client has the skills, tools, and capacity in-house to assign a project manager to the project, it would be ideal, provided that the leadership team has given sufficient power and status to that project manager to drive performance forward.

Without that, you might consider project management as part of your retainer. We highly recommend using a collaborative project management platform (Asana, monday.com, Clickup) to manage the project timelines and execution. Ensure that all the relevant staff has access to this tool and that you are reviewing progress formally and informally with them regularly.

Any large projects that come out of the Growth Accelerator work (e.g. the implementation of a new ERP system, developing a new product, entering a new geography, merger and acquisition activity) require separate projects that are planned and controlled at the appropriate level of complexity to ensure adherence to timelines, budget, and fit-for-purpose deliverables.