

## Business Growth Guide for Your Company – Deep Dive Analysis (Template)

This report and discussion guide was developed after holding an initial discovery meeting and the completion of the deep dive analysis with the senior leadership team employing the CoreValue® Advisor System. The CEO voiced three objectives for the process: (1) Acquire deep learning about his organization’s strengths, weaknesses, value gap and roadblocks to revenue growth, (2) Adjust their current year business plan and revenue goals, and (3) Assess the alignment and gaps of how his senior leadership team makes business decisions.

This company’s revenue growth goal is 20% for the current fiscal year.

This report weaves together the quantitative results from the CoreValue® assessment and my evaluation from observing the leadership team.

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### (I) Enterprise Valuation Assessment

|  |                              |
|--|------------------------------|
| <b>Company Name:</b>                       | <b>CEO Name:</b>             |
| <b>Industry Type:</b> Information Services | <b># of Employees:</b> 55    |
|  | <b>Current Situation</b>     |
| Annual Revenue                             | \$4,660,000                  |
| Annual Profit (EBITDA)                     | \$954,000 (20.5% of revenue) |
| Enterprise Current Valuation               | \$5,340,000                  |
| Potential Value                            | \$6,800,000                  |
| Value Gap                                  | \$1,460,000                  |
| Core Value Rating                          | 72 out of 100                |

### (II) Strengths and Weaknesses – Results of the Deep Dive Analysis

**Strengths – 8 of 18 drivers that scored at least a Core Value rating of 8.0 out of a 10.0:**

- a. **Legal (10.0) – legal matters are in order and documented**
- b. **Financial (10.0) - on top of all financial reports and matters; audits, IP...**
- c. **Customer Diversification (10.0) – Your company has a well diversified base**
- d. **Dominant Market Share (9.0) – Strong share of available market vs. competitors**
- e. **Recurring Revenue (9.0) – Company can rely on predictable revenue**
- f. **Human Resources (8.2) – Ability to find, hire, develop and retain base talent**
- g. **Product Differentiation (8.4)- Uniqueness of the brand and product**
- h. **Brand (8.3) – Clear brand awareness, advantage and protection**

Strengths: Your company is strong in managing legal and financial matters. You have documentation and follow best practices for each. Your organization possesses a well-diversified customer base that leads to recurring and predictable revenue. Although your products dominate the market, as defined by share, there are specific areas to enhance product differentiation based upon the lifecycle of each product. Your company possesses a strong process for finding, hiring and retaining individual contributors. Effective performance and low turnover proves this. Your brand image is strong within the markets you currently conduct business.

**Weaknesses – six of eighteen drivers that scored at below a 5.0 out of a 10.0:**

- a. Customer Satisfaction (3.0) – need to measure and track customer satisfaction**
- b. Innovation (3.2) – develop a process to encourage and capture ideas and solutions**
- c. Large Potential Market (3.7)– analyze further if the market supports revenue growth**
- d. Growth (4.6) – develop a plan to increase revenue greater than the market change**
- e. Company (4.6) – Enhance employee ability to voice company mission and goals**
- f. Operations (4.9) – how can you improve documented processes to deliver the sales and product promise**

Weaknesses: Based upon the results of the deep dive and the senior leadership team discussions, there is a need to formalize how you research, evaluate and document changes in the marketplace and evaluate client satisfaction. This will help your company assess customer needs in the market and make adjustments or additions to the current product mix. This is especially necessary considering the limits to the market size and lack of confidence in projecting future growth greater than the market. Are there possibilities of focusing on new potential customers? How will the Sales and Marketing plans need to be adjusted accordingly?

Improvement is necessary related to a few overall Company areas:

- The development of a strategic plan (which this process supports)
- Employee articulation of the company value, purpose and goals – and how each employee fits into the bigger picture
- Stronger web and social media presence

Last, the assessment results and discussions uncovered the need to improve and better document the development, updating and delivery of key processes – ways of getting business done. What does the organization need to do operationally to improve? What needs to Prioritize, and Stop Doing, Do Differently, Do Better or Do More?

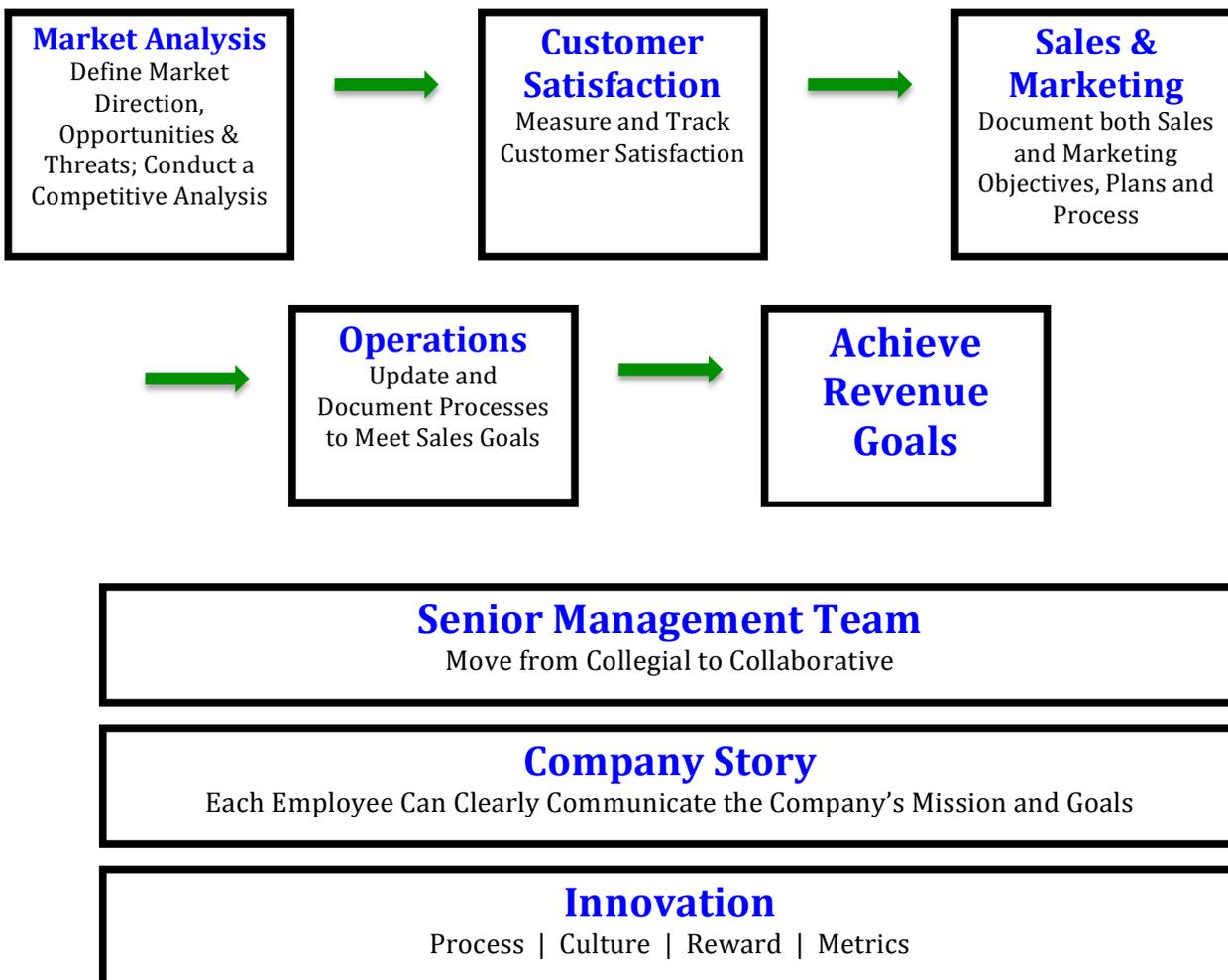
## (III) Red Flags – from the Core Value Analysis

*Red Flags* are important issues or "watch outs" that can negate all the value in your business. Here are the red flag conditions we found in your assessment:

- **Strategic Planning and Direction**  
A business without a strategic plan is like a ship without a compass. Your business may float just fine today, but chances are it will eventually get lost. Valuable businesses have a strong sense of direction.
- **Operations Delivery Process**  
A formalized delivery process is the foundation of a valuable company.
- **Senior Management Team**  
Lack of alignment and higher level of commitment and collaboration

## (IV) Specific Priorities and Flow

The strategic flow depicts how key business drivers and identified strategic issues are connected.



**(V) Targeted Actions:** Determine who completes each task and by when – to be discussed and prioritized at our upcoming growth planning meeting. The aim is to close the value gap and provide stronger confidence in achieving the current year’s growth goals.

- 1) Research and document marketplace trends, opportunities and threats:
  - a. *What trends are happening that can **help**?*
  - b. *What trends are happening that can **hurt**?*
- 2) Evaluate customer satisfaction (formal survey and/or customer interviews)
- 3) Measure products’ advantages in the market as compared to the competitors
- 4) Discuss new customer target opportunities and develop a sales and marketing plan to match
- 5) Develop clear and repeatable operational processes. Document these processes
- 6) Capture employee ideas and innovations for new products and solutions to business challenges
- 7) Improve the alignment of the senior leadership team – move from collegial to the collaborative. Create a leadership mantra of: “We are not satisfied” (to be discussed further)
- 8) Boost each employees understanding of the company’s WHY – purpose. This includes the ability for all employees to understand how their work matters and fits the organization’s mission and goals and their affect on client satisfaction
- 9) Complete a strategic plan employing these findings as the baseline

## **(VI) Operational Process Best Practices – from the CoreValue® Advisor System**

Best Practices: Operational Processes...

- Have clear objectives that are specific, executable and measurable
- Are aligned with your company’s mission and overall goals
- Are well-defined and documented, including priorities, milestones and targets
- Are well communicated, taught, understood, reviewed and updated periodically
- Are easy to learn and jump into for employees new to the process
- Maximize the use of technology and workflow management

Checklist: *Do you have...*

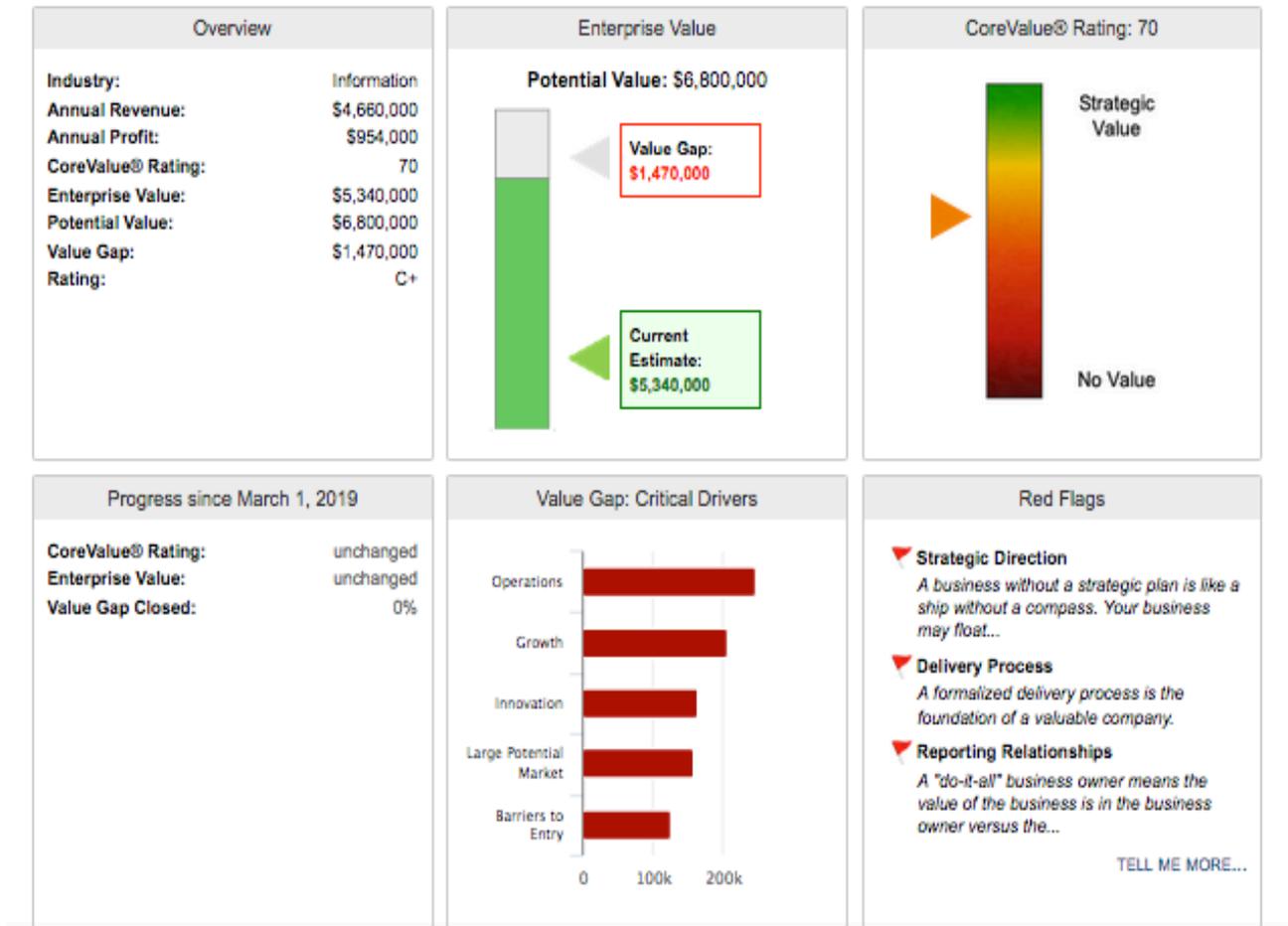
- Processes that support the delivery of your services to your clients
- Processes with steps aligned to achieve your objectives and overall goals
- Processes that are quickly scalable to meet growth and capacity demands
- An effective process to improve the delivery of operational systems and processes
- Metrics to measure how well the organization is achieving operational and capacity objectives

## Reports from the CoreValue® Advisor System

**(I) Overview Report** – The valuation gap is \$1,470,000. Core Value rating is 70 out of 100 = C+ investment rating.

### Overview Report

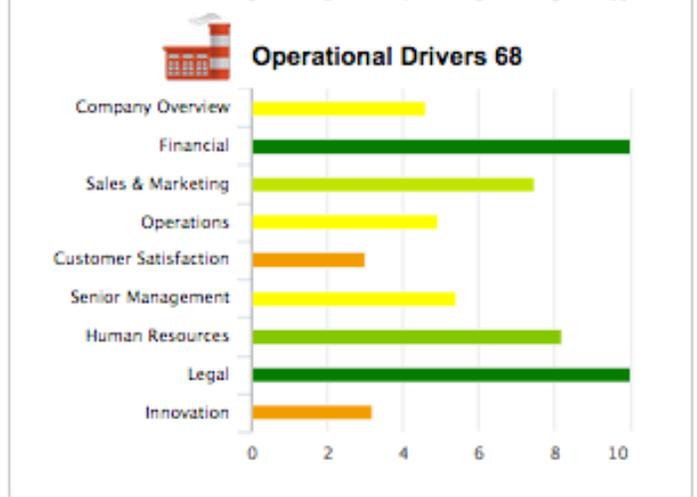
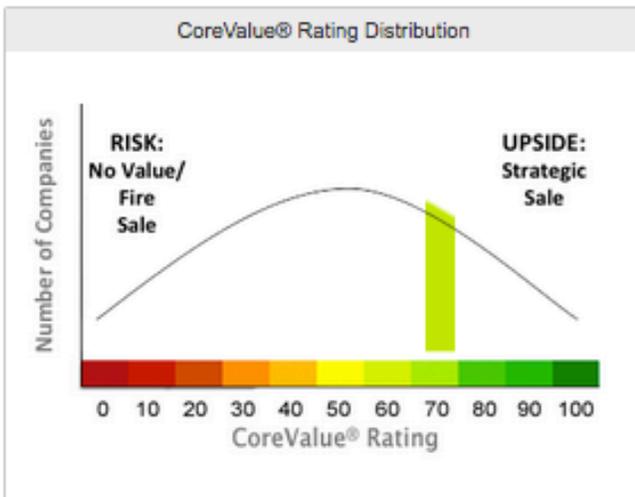
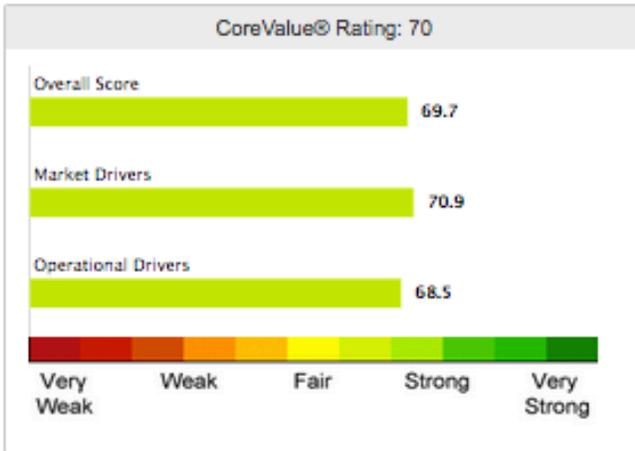
[More Info](#)



## (II) Overall Report Looking at Each Driver (top score = 100)

### CoreValue Rating Report

[More Info](#)

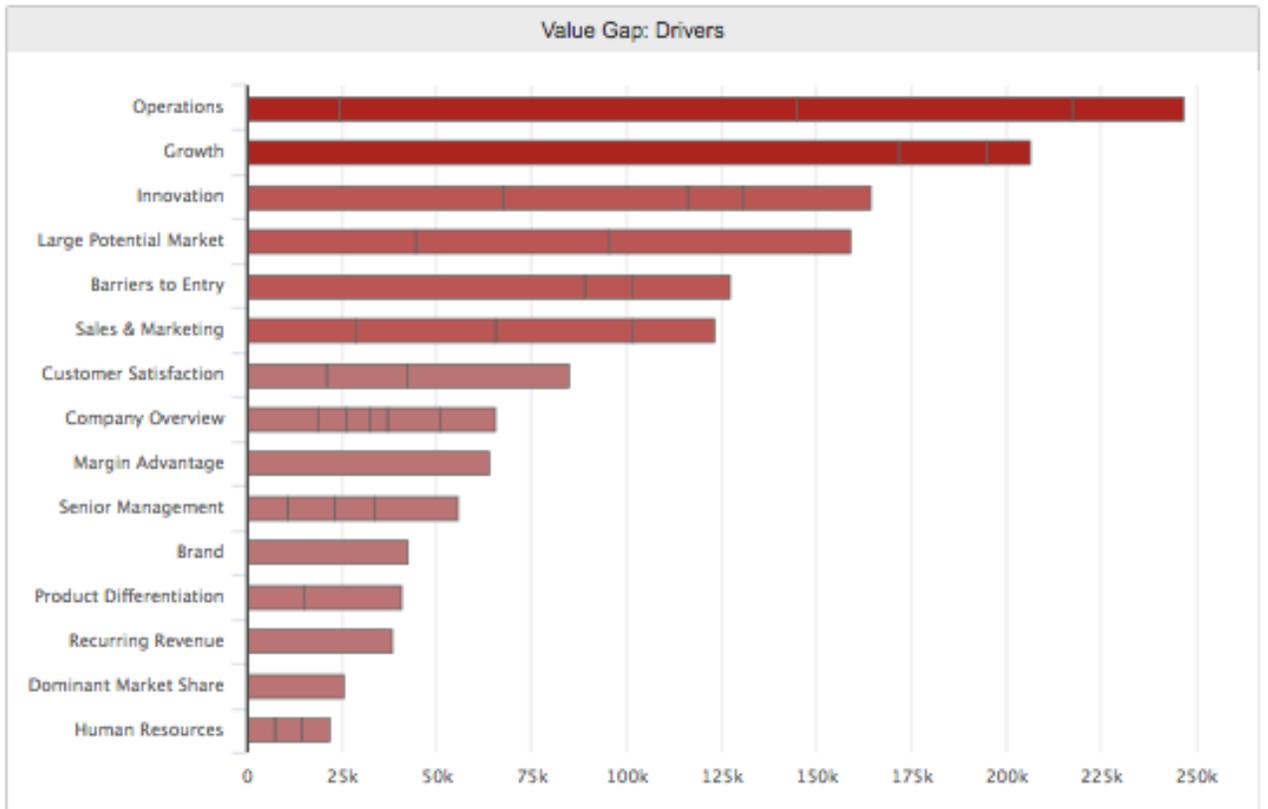


## (III) Total Value Gap – the top seven weakest drivers = 76% of the total value gap

### Value Gap Analysis Report

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Total Value Gap: \$1,470,000



**(IV) Priority Drivers to Address by \$ Value Gap**  
 (will drill down deeper in these areas during our next meeting)

Total Enterprise Value Gap: \$1,470,000

| Suggested |   | Active | Completed    | Show Detail            | Hide Detail | SORT BY: Value Gap |  |
|-----------|---|--------|--------------|------------------------|-------------|--------------------|--|
|           | Growth<br><b>Company Growth</b>                               |        | SCORE<br>1.0 | VALUE GAP<br>\$172,000 | 11.7%       |                    |  |
|           | Operations<br><b>Delivery Process</b>                         |        | SCORE<br>0.0 | VALUE GAP<br>\$121,000 | 8.3%        |                    |  |
|           | Operations<br><b>Performance Metrics</b>                      |        | SCORE<br>4.0 | VALUE GAP<br>\$72,600  | 5.0%        |                    |  |
|           | Innovation<br><b>Culture and Rewards</b>                      |        | SCORE<br>3.0 | VALUE GAP<br>\$67,700  | 4.6%        |                    |  |
|           | Margin Advantage<br><b>Quantifiable Advantage</b>             |        | SCORE<br>5.0 | VALUE GAP<br>\$63,600  | 4.3%        |                    |  |
|           | Large Potential Market<br><b>Future Market Growth</b>         |        | SCORE<br>0.0 | VALUE GAP<br>\$63,600  | 4.3%        |                    |  |
|           | Large Potential Market<br><b>Competitive Monitoring</b>       |        | SCORE<br>2.0 | VALUE GAP<br>\$58,900  | 3.5%        |                    |  |
|           | Innovation<br><b>Process</b>                                  |        | SCORE<br>0.0 | VALUE GAP<br>\$48,400  | 3.3%        |                    |  |
|           | Large Potential Market<br><b>Market Size</b>                  |        | SCORE<br>3.0 | VALUE GAP<br>\$44,600  | 3.0%        |                    |  |
|           | Brand<br><b>Brand Awareness</b>                               |        | SCORE<br>5.0 | VALUE GAP<br>\$42,400  | 2.9%        |                    |  |
|           | Customer Satisfaction<br><b>Customer Satisfaction Metrics</b> |        | SCORE<br>3.0 | VALUE GAP<br>\$42,300  | 2.9%        |                    |  |
|           | Sales & Marketing<br><b>Market Research</b>                   |        | SCORE<br>5.0 | VALUE GAP<br>\$38,300  | 2.5%        |                    |  |
|           | Sales & Marketing<br><b>Marketing Plan &amp; Process</b>      |        | SCORE<br>5.0 | VALUE GAP<br>\$38,300  | 2.5%        |                    |  |
|           | Innovation<br><b>Metrics</b>                                  |        | SCORE<br>3.0 | VALUE GAP<br>\$33,900  | 2.3%        |                    |  |
|           | Operations<br><b>Industry Standards</b>                       |        | SCORE<br>7.0 | VALUE GAP<br>\$29,000  | 2.0%        |                    |  |
|           | Sales & Marketing<br><b>Sales &amp; Marketing Objectives</b>  |        | SCORE<br>7.0 | VALUE GAP<br>\$29,000  | 2.0%        |                    |  |

## (V) Suggested Tasks to Recapture Value Gap – from the CoreValue® Advisor System

### Suggested Tasks for Recapturing Value Gap

*Suggested Tasks* are identified actions you can take to grow and improve the value of your business. The CoreValue Task List is a complete list of suggestions we offer to improve your Value Gap. We list them below in descending order sorted by value gap. Some tasks will be quick to accomplish, inexpensive, less disruptive, and have a high ROI — we believe you should do those first. They get you moving quickly, drive momentum, and provide you and your team real measurable improvements.

| Category                       | Value Gap     | Suggested Task   |
|--------------------------------|---------------|--|
| Culture and Rewards            | \$67,700 4.6% | <b>Encourage Innovation Throughout Your Organization</b><br>Innovation shouldn't just be relegated to a Research and Development team. Important ideas and innovations can come from anywhere in your organization. Create a culture and process that recognizes and rewards great ideas at all levels!  |
| Future Market Growth           | \$63,600 4.3% | <b>Document Your Market's Future</b><br>Document where you think the market will be in the next 1, 5, and 10 years. Ideally, you are in a growing market, providing substantial opportunity for your company to grow and make tons of money.   |
| Competitive Monitoring         | \$50,900 3.5% | <b>Document How You Monitor Competition</b><br>Take the time to document how your company monitors competition.  |
| Process                        | \$48,400 3.3% | <b>Create A Process To Tap And Protect Innovations</b><br>Create and document a process to encourage, capture, and protect innovation among your employees.  |
| Metrics                        | \$33,900 2.3% | <b>Quantify Your Innovations</b><br>Quantify the benefits of innovations through various means such as patents, copyrights, revenue growth, work flow efficiencies, and financial improvements.  |
| Financial Differentiation      | \$25,500 1.7% | <b>Improve Your Gross Margins</b><br>Demonstrate that you have quantitative proof of differentiation, by product or service, and make sure that you can show a pricing and/or cost advantage over its competition.   |
| Capital Barriers Documentation | \$25,500 1.7% | <b>Document Capital Barriers</b><br>Document and organize critical capital barriers to entry, especially if you suspect that the capital barriers are fairly high for your market.   |
| Succession Plan                | \$21,800 1.5% | <b>Create Succession Plans For All Senior Managers</b><br>Create a personnel plan for each senior manager that ensures a smooth continuation of the business in case a change in senior management occurs.   |
| Company Story                  | \$19,000 1.3% | <b>Communicate Your Company's Story</b><br>First, make sure you can succinctly give an 'elevator pitch' or a 1 minute topline summary on your company (what it does, the history, why it is successful, etc). Then, make sure everyone in your company understands your company's story and can communicate it clearly (both written and orally) as well. Having everyone aligned around the basic information about your company is essential; it's the glue that holds a company together and ensures that there is a consistent message to the outside world. |
| Trusted Advisor                | \$14,400 1.0% | <b>Identify A Trusted Advisor For Your Company</b><br>Identify a trusted, C-level advisee, who reviews, advises, and provides feedback to the owner/CEO. A trusted advisor (versus a business expert) typically helps build the business as a whole and is a confidant to the owner. This advisor should have broad business experience, be able to share both good and bad news, have access to all financial and operating information, and show up regularly to play an active role as part of the fabric of the business.                                    |
| Strategic Direction            | \$14,400 1.0% | <b>Create A Strategic Plan For Your Company</b><br>Create a strategic plan that supports the owner's personal goals. This plan should include a vision and mission, business model, business goals, objectives, and an executable plan (tactics).  |
| Market Barriers Documentation  | \$12,700 0.9% | <b>Document Market Barriers</b><br>Document and organize your market barriers to entry. Make sure to include how you created these market barriers and how you will protect them. Examples include brands, licenses, trade secrets, exclusive agreements, location, etc.   |