HOW TO RESTART YOUR BUSINESS IN 30 DAYS
WHY WE STRUGGLE WITH STRATEGY
COMPETING COMPETENCIES

CORE
- Short-term
- Efficiency
- Discipline
- Clarity of direction
- Internal focus
- Productivity focus

EXPLORATION
- Long-term
- Innovation
- Flexible adaptation
- Empowerment
- External focus
- Growth focus

~2% OF FIRMS
WHAT WE WILL COVER TODAY

- Reorient Your Employees
- Stress Test the Business
- Reimagine 2020 and Beyond
- Re-evaluate Your Revenue Model
- Rethink Operations
- Consider New Opportunities
Reorient Your Employees

Stress Test the Business

Reimagine 2020 and Beyond

Re-evaluate Your Revenue Model

Rethink Operations

Consider New Opportunities

HOW TO RESTART YOUR BUSINESS IN 30 DAYS
REORIENT YOUR EMPLOYEES
EMBED AGILITY INTO YOUR MANAGEMENT DNA
Conduct Process Improvement Meetings

What have we learned about virtual work, adoption of technology and serving customers?
STRESS TEST
THE BUSINESS
DURING THE CRISIS
✓ P&L and Balance Sheet
✓ Cash flow statements
✓ Bank covenants
✓ Cash containment strategies
✓ C-suite involvement in AR/AP
✓ 6+6 budgets (6 months actual + 6 months forecast)
**SCENARIO**

**PLANNING**

- Conduct STEEP exercise
  - Social, technological, economic, ecological, and political
  - Organize into the three scenarios/demand curves
- Example: Scenario 1
  - Assumptions: 9% unemployment, 2% inflation, 25% decline in mall traffic, surge in omnichannel ordering, 7% decline in store volume, 5% decline in revenue
## Contingency Plan

### Scenario A
Loss of 25% Revenue

<table>
<thead>
<tr>
<th>Risk Level</th>
<th>Role</th>
<th>Action</th>
<th>Annual Cost</th>
<th>Timeline</th>
</tr>
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<tbody>
<tr>
<td>Medium</td>
<td>CEO</td>
<td>Notify Board</td>
<td></td>
<td>1 day</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Communicate with team</td>
<td></td>
<td>5 days</td>
</tr>
<tr>
<td>Medium</td>
<td>CFO</td>
<td>Notify lenders</td>
<td></td>
<td>5 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Restate forecast</td>
<td></td>
<td>7 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Reforecast scenario cash flow/ratios</td>
<td></td>
<td>7 days</td>
</tr>
<tr>
<td>Medium</td>
<td>Sales</td>
<td>Consolidate Account Management 5→4</td>
<td>$8 million</td>
<td></td>
</tr>
<tr>
<td>Medium</td>
<td>Ops/HR</td>
<td>Revise workflows</td>
<td></td>
<td>14 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td>RIF 20 FTE</td>
<td></td>
<td>21 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Close PA call center</td>
<td></td>
<td>21 days</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Consolidate into Tucson call center</td>
<td></td>
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</table>
HOW TO RESTART YOUR BUSINESS IN 30 DAYS

Reorient Your Employees
Stress Test the Business
Reimagine 2020 and Beyond
Re-evaluate Your Revenue Model
Rethink Operations
Consider New Opportunities
Reset on all strategic objectives and priorities

- Is your strategic planning process rigorous enough to withstand market shocks?
- Consider milestones that would spark a contingency plan
UTILIZE PREDICTIVE

KEY PERFORMANCE INDICATORS

MANUFACTURERS’ NEW ORDERS
Nondefense Capital Goods Excluding Aircraft
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REEVALUATE YOUR REVENUE MODEL

WHAT IS THE NEW NORMAL for your customers?

- Conduct Innovation Sessions with customers
- Peer-to-peer conversations
- Variable pricing
LIVING ON THE EDGE

OF THE OFFER

Supported by education, warranty, configuration, inventory and training

Member EXAMPLE

Check out our 2,000+ Reviews on Trustpilot

Riley 500 Auto-Ready Screen Printing Shop Package

$29,999.99 - 10% Off

Finance as low as $629/month. Click to apply now!

Add to Cart

Add to List

Ships in 30 Business Days
Available Inventory and Shipping Map
Ships for $1,500 in Contiguous US. Additional shipping charges apply.

Have a Question? Chat with us

Have a Question? Contact our Sales Team
NEW MARKETING APPROACH

Be humble and empathic in your messaging

Encourage practical experimentation
NEW
SALES APPROACH
How will you win in an era of virtual buying offices?
INTEGRATED
SALES AND MARKETING

SALES
Sales Management
CRM
Pipeline Management
Inside Sales
Sales Training
Selling Tools

SUPPORT
Engineering
Ops
Customer Service

MARKETING
Market Research
Web/Digital Assets
Traditional Media
Social Media
Analytics
Channel Strategy
Branding
Customer Insight
HOW TO RESTART YOUR BUSINESS IN 30 DAYS

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- Consider New Opportunities
Rethink Operations

- Manage change on the way up with the same level of intention you did on the way down
- Establish working guidelines
- Work in pods
POST COVID-19 OPERATING MODEL

- Process and procedures
- Incent predictability and scalability

AGILE TEAMS

- Agile practices
- Incent innovation
HOW TO RESTART YOUR BUSINESS IN 30 DAYS

1. Reorient Your Employees
2. Stress Test the Business
3. Reimagine 2020 and Beyond
4. Re-evaluate Your Revenue Model
5. Rethink Operations
6. Consider New Opportunities
CONSIDER
NEW OPPORTUNITIES

What new gaps exist in the supply chain?

How is compliance being relaxed in your industry?

What integration is likely to occur?

Acquisitions, partnerships and integrations
**BCG MATRIX**

Look for gaps and niches where you can differentiate and competition is fractured.

**Market A**
- Market Size: $275M
- Growth Rate: -2%

**Market B**
- Market Size: $605M
- Growth Rate: +5%

**Market C**
- Market Size: $775M
- Growth Rate: +4%
## SUB SEGMENT

**HAVE CLEAR TARGETS**

<table>
<thead>
<tr>
<th>SEGMENT</th>
<th>HEALTH (Size + Growth Rate)</th>
<th>INDUSTRY ATTRIBUTES</th>
<th>PROFESSIONAL PROCUREMENT</th>
<th>COMPANIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>TIER 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drug Delivery</td>
<td>$775 M (4%)</td>
<td>Startups</td>
<td>High</td>
<td>Customer A, B</td>
</tr>
<tr>
<td>Diagnostic</td>
<td>$605 M (5%)</td>
<td>Access to Distribution</td>
<td>Low</td>
<td>Customer C, D</td>
</tr>
<tr>
<td>TIER 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surgical</td>
<td>$275 M (-2%)</td>
<td>Consolidating</td>
<td>Medium</td>
<td>Customer E</td>
</tr>
<tr>
<td>Orthopedics</td>
<td>$230 M (1%)</td>
<td>No access to Dist</td>
<td>Medium</td>
<td>Customer F, G, H</td>
</tr>
</tbody>
</table>

**USE A SIMILAR MATRIX**

to evaluate potential customers within a segment.
<table>
<thead>
<tr>
<th>Objective Achieved</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Access to New Markets</td>
<td>55%</td>
</tr>
<tr>
<td>Growth in Market Share</td>
<td>54%</td>
</tr>
<tr>
<td>Access to New Products</td>
<td>56%</td>
</tr>
<tr>
<td>Reduction of Operating Expenses</td>
<td>39%</td>
</tr>
<tr>
<td>Enhanced Reputation</td>
<td>45%</td>
</tr>
<tr>
<td>Access to Distribution Channels</td>
<td>39%</td>
</tr>
<tr>
<td>Reduction in Number of Competitors</td>
<td>77%</td>
</tr>
<tr>
<td>Access to New Brands</td>
<td>72%</td>
</tr>
<tr>
<td>Access to New Technologies</td>
<td>55%</td>
</tr>
<tr>
<td>Access to Manufacturing Capacity</td>
<td>50%</td>
</tr>
<tr>
<td>Entry to New Industry</td>
<td>69%</td>
</tr>
<tr>
<td>21% Access to Manufacturing Know-How</td>
<td></td>
</tr>
<tr>
<td>8% Reduction in Manufacturing Costs</td>
<td></td>
</tr>
<tr>
<td>27% Access to Suppliers</td>
<td></td>
</tr>
</tbody>
</table>
LEVERAGING VERTICAL INTEGRATION
KEY TAKEAWAYS

- Begin by listening through Innovation Sessions with clients and process improvement meetings with your team.
- Embed agility into your management DNA.
- Manage changes on the way up with the same level of intention you had on the way down.
- Ensure your sales and marketing are integrated.
- Engage in scenario planning, create three financial projections and stress test your business.
- Develop predictive KPIs—internal and external.
- Reanalyze and reweight all industry verticals and target markets.
- Reset on all goals, objectives, and action items.
WE HELP COMPANIES DECIDE WHAT TO DO NEXT

www.optimizeinc.net
marc@optimizeinc.net
(661) 296-2568

Strategy • Alignment • Execution
REFERENCES

• SLIDE 2 WHY WE STRUGGLE WITH STRATEGY Strategy Beyond the Hockey Stick by Bradley, Hirt and Smit

• SLIDE 3 COMPETING COMPETENCIES ted.com, Knut Haanaes Boston Consulting Group

• SLIDE 16 UTILIZE PREDICTIVE KEY PERFORMANCE INDICATORS Economic Research Division, Federal Reserve Bank of St. Louis

• SLIDE 19 LIVING ON THE EDGE OF THE OFFER The Edge Strategy by Lewis and McKone

• SLIDE 21 CUSTOMER JOURNEY Inspired by smartinsights.com

• SLIDE 32 ACQUISITIONS 5 Frogs on a Log