

# Corporate Diagnostic Review



## A RAPID, ANALYTICAL CHECKUP

*Designed to:*

- **Expose problem areas**
- **Uncover issues** that may become problems
- **Identify opportunities** for growth
- **Target initiatives** to improve company performance

*The CDR delivers executive-level insight into the condition of the company at a minimal cost*

# About the CDR

Stanton Associates'

## Corporate Diagnostic Review

A quick and powerful assessment to uncover the risks and opportunities for growth within your company

### The CDR covers 5 key dimensions

#### Sales

- Sales coverage model
- Effective sales process
- Forecasting & pipeline management
- Incentive comp & recognition
- Sales training
- Channel management
- Strategic account management
- Information systems

#### Marketing

- Clearly defined marketing strategy
- Brand health
- Competitive positioning/threats
- Sales & marketing alignment
- Awareness Building Activities
- Lead Generation Efforts
- Marketing ROI
- Customer Satisfaction, Feedback Loop

#### Financial Discipline & Analysis

- Gross margin analysis
- Robust financial model
- Cost management
- Forecasting
- Cash flow optimization
- Working capital management
- ROI-based decision making
- Budget linked to operational plans

#### Performance Management

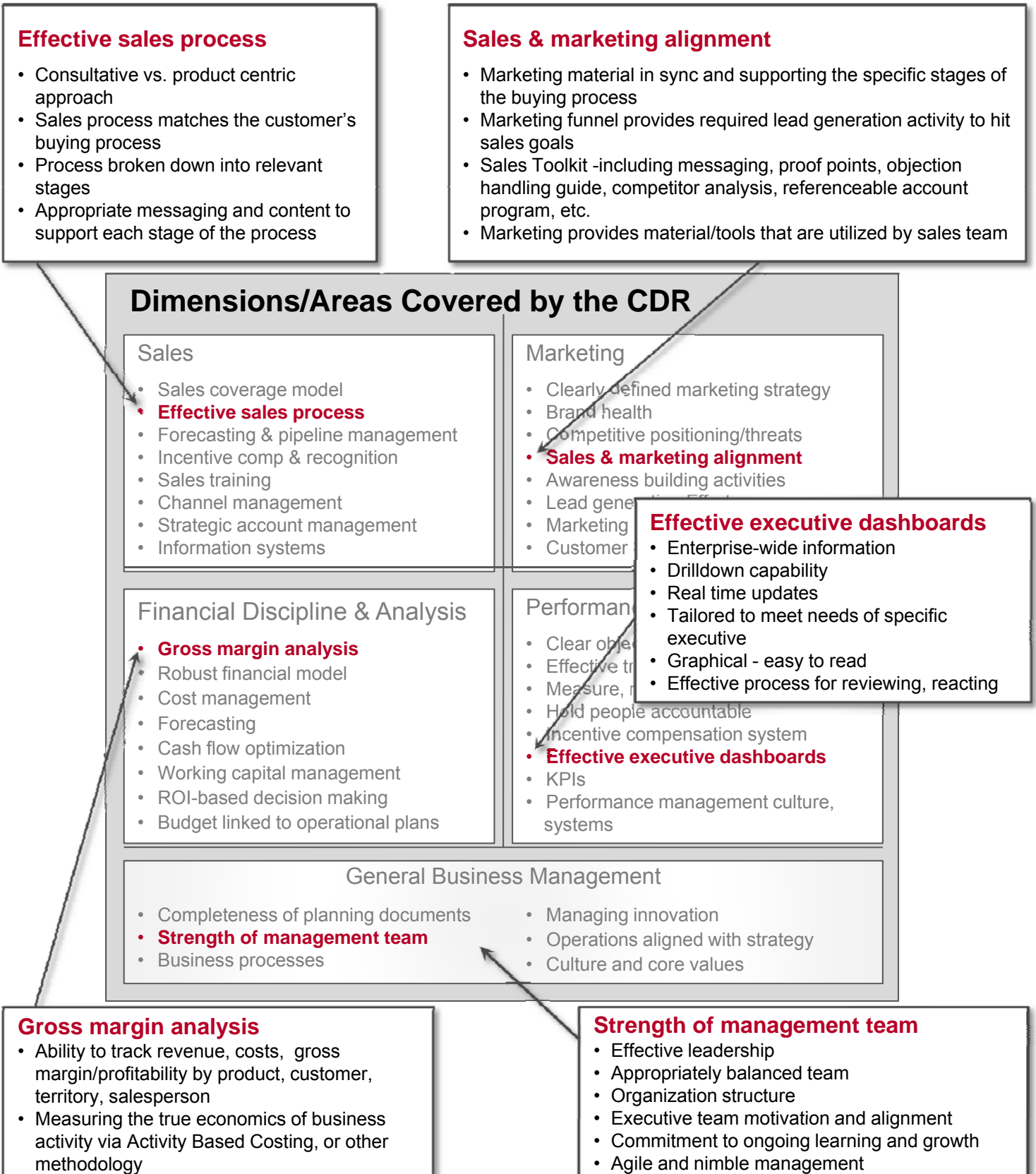
- Clear objectives set at all levels
- Effective training, communication
- Measure, monitor performance
- Hold people accountable
- Incentive compensation system
- Effective executive dashboard
- KPIs
- Performance management culture, systems

#### General Business Management

- Completeness of planning documents
- Strength of management team
- Business processes
- Managing innovation
- Operations aligned with strategy
- Culture and core values

# A Rapid and Powerful Assessment

Each area is assessed along an extensive set of contributing factors.



## Effective sales process

- Consultative vs. product centric approach
- Sales process matches the customer's buying process
- Process broken down into relevant stages
- Appropriate messaging and content to support each stage of the process

## Sales & marketing alignment

- Marketing material in sync and supporting the specific stages of the buying process
- Marketing funnel provides required lead generation activity to hit sales goals
- Sales Toolkit -including messaging, proof points, objection handling guide, competitor analysis, referenceable account program, etc.
- Marketing provides material/tools that are utilized by sales team

## Dimensions/Areas Covered by the CDR

### Sales

- Sales coverage model
- **Effective sales process**
- Forecasting & pipeline management
- Incentive comp & recognition
- Sales training
- Channel management
- Strategic account management
- Information systems

### Marketing

- Clearly defined marketing strategy
- Brand health
- Competitive positioning/threats
- **Sales & marketing alignment**
- Awareness building activities
- Lead generation
- Marketing
- Customer

## Effective executive dashboards

- Enterprise-wide information
- Drilldown capability
- Real time updates
- Tailored to meet needs of specific executive
- Graphical - easy to read
- Effective process for reviewing, reacting

### Financial Discipline & Analysis

- **Gross margin analysis**
- Robust financial model
- Cost management
- Forecasting
- Cash flow optimization
- Working capital management
- ROI-based decision making
- Budget linked to operational plans

### Performance

- Clear objectives
- Effective tracking
- Measure, manage, improve
- Hold people accountable
- Incentive compensation system
- **Effective executive dashboards**
- KPIs
- Performance management culture, systems

## General Business Management

- Completeness of planning documents
- **Strength of management team**
- Business processes
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## Gross margin analysis

- Ability to track revenue, costs, gross margin/profitability by product, customer, territory, salesperson
- Measuring the true economics of business activity via Activity Based Costing, or other methodology

## Strength of management team

- Effective leadership
- Appropriately balanced team
- Organization structure
- Executive team motivation and alignment
- Commitment to ongoing learning and growth
- Agile and nimble management

# CDR Top Level Findings

Example assessment below shows the areas requiring attention.

- Satisfactory to excellent
- ⚠ Caution – potential issues and/or improvement is needed
- ⊖ Significant weakness or threat

## Sales

- ⚠ Sales coverage model
- ⊖ Effective sales process
- ⚠ Forecasting & pipeline management
- Incentive comp & recognition
- ⚠ Sales training
- ⚠ Channel management
- ⊖ Strategic account management
- ⚠ Information systems

## Marketing

- ⚠ Clearly defined marketing strategy
- ⚠ Brand health
- ⚠ Competitive positioning/threats
- ⚠ Sales & marketing alignment
- ⚠ Awareness building activities
- ⊖ Lead generation efforts
- ⊖ Marketing ROI
- Customer satisfaction, feedback loop

## Financial Discipline & Analysis

- ⚠ Gross margin analysis
- Robust financial model
- ⊖ Cost management
- ⚠ Forecasting
- ⊖ Cash flow optimization
- Working capital management
- ⚠ ROI-based decision making
- ⚠ Budget linked to operational plans

## Performance Management

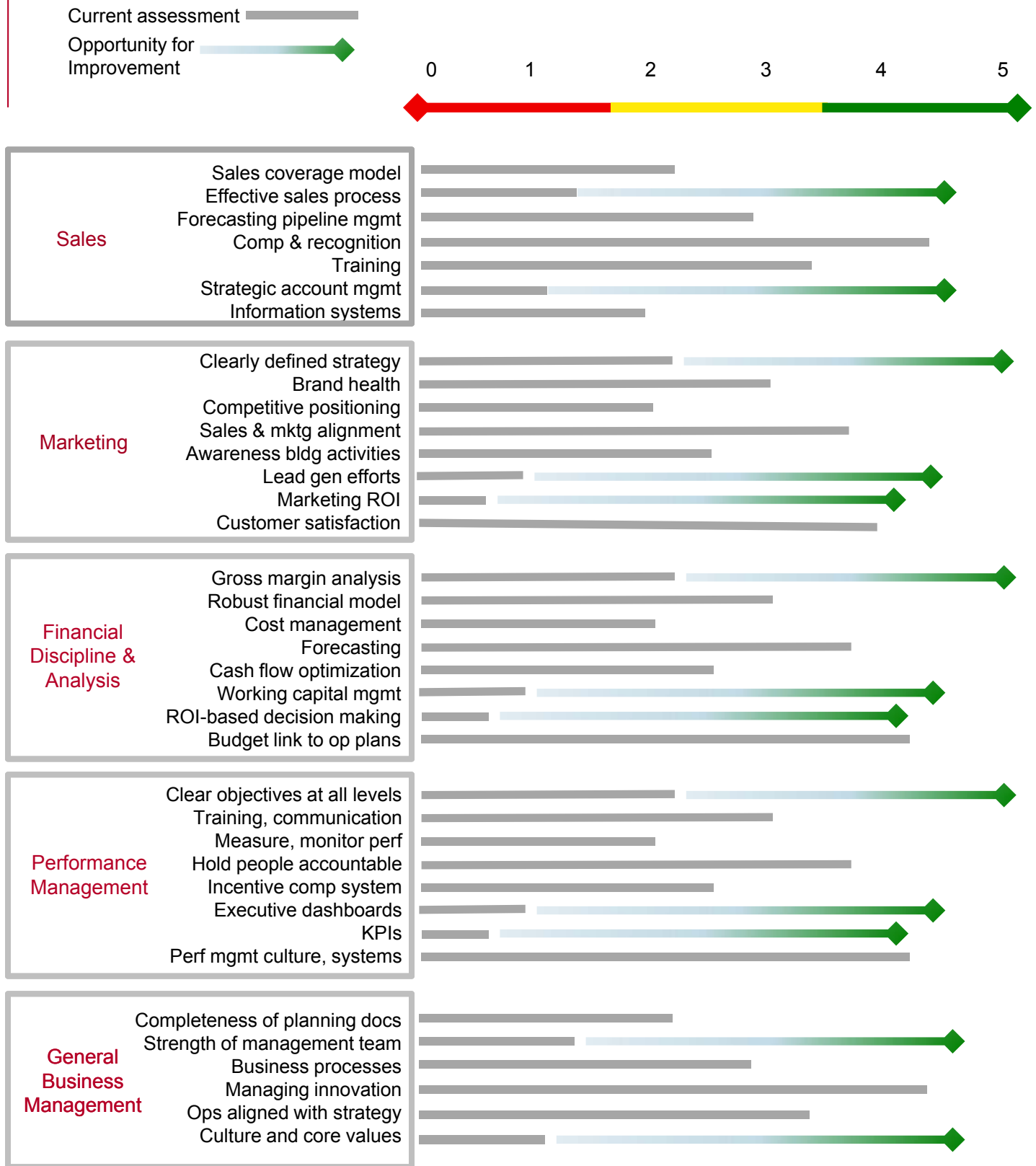
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## General Business Management

- ⚠ Completeness of planning documents
- ⚠ Strength of management team
- ⚠ Business processes
- Managing innovation
- ⊖ Operations aligned with strategy
- ⚠ Culture and core values

# A Clear View of Where to Focus

Stanton Associates will identify the areas that offer the greatest opportunity.



Note: These ratings are unweighted. Various considerations (e.g., level of effort, cost, etc.) should be taken into account when considering the relative priorities.

# How It Works



## FAQs about the CDR

### When does it make sense to perform a CDR?

The CDR certainly makes sense when a company is facing challenges meeting its revenue and profit goals. But more broadly, as a diagnostic, the CDR offers insight into areas that could later become problems if left unchecked. Also when there is an incoming CEO or change of ownership, the CDR provides quick insight and guidance on setting priorities.

### What's resources are required from the company?

We ask for some materials beforehand. Additionally in-depth discussions of approximately 1 to 2 hours will be conducted with each senior member of the management team and some of their direct reports.

### How long does it take?

The CDR process can take as little as 2 weeks in terms of lapsed time from start to finish.

### How much does it cost?

While the price may vary depending on size and complexity, it can start as low as \$2,000 --a small amount for the senior level attention and actionable insight resulting from the CDR. Additionally, the amount you pay for the CDR is applied as a credit towards a future engagement addressing the issues arising from the process. All in all, it's a tremendous value considering the expertise provided by the professionals performing the diagnostic.

### What if I already know where my company's issues are?

We would expect that CEOs have a good sense of where the issues lie. Presumably management has already been addressing what is obvious and, by definition, that has not solved the problem. However, it is so difficult for anyone to step back and take a clear view of one's own company. As independent experts with "fresh eyes" it is almost inevitable that we will find several valuable opportunities. That said, if you know where the issues are and need help fixing them, then we are ready to dig right in on those specific matters.

# About Stanton Associates



## Seasoned Professionals

who have served on the executive side of the desk for both public and private companies.

Former positions held:  
CEO, COO, CFO,  
Head of Sales,  
Head of Marketing

## Extensive Background

at some of the world's greatest companies.

GE, HP, Siemens,  
McKinsey, Andersen,  
Ernst & Young

## Broad Industry Experience

with sweet spots in:

- Technology
- Media & Entertainment
- Manufacturing & Distribution
- Business Services
- Retail
- Consumer Products



**Lewis Stanton**  
Managing  
Partner

Expertise in business strategy, general management, finance, and operations. Industry experience includes technology, business services, manufacturing, and media & entertainment. As a several time CEO, and former COO and CFO of a public company, Lewis is experienced in leading organizations in the evaluation of strategic alternatives, formulation of strategic plans, and executing against those plans to achieve the desired results. Lewis was a leader on the M&A and Capital Markets teams of Arthur Andersen.



**Lisa Leight**  
Partner

Expertise in marketing, product management, and strategy development. Industry experience includes technology, business services, e-commerce, manufacturing, consumer products, and media & entertainment. She is a former VP Marketing and VP Product Management with technology and internet companies. As a professional with McKinsey, Lisa worked with Fortune 1000 corporations on strategic analysis, strategy development, and implementation planning. She also worked as a consultant with Ernst & Young.



**Randy Altman**  
Partner

Expertise in sales management and operations, sales and marketing alignment, and strategic sales training. Industry experience includes technology, engineering, manufacturing, and aerospace & defense. As a sales and marketing executive, Randy led regional and/or national sales teams at HP, Siemens, General Electric, IHS, Dassault Systemes, and XO Communications. He also led sales at several IT start-ups.



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solutions for  
growth and  
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