Guiding Participants Through the Align Report

- **What it Is.**
- **What it Isn't.**
- **How to Walk Through a Team Meeting.**
- **The Outcome**

ValuCompass

Guiding Participants Through Align

Areas of Discussion & Key Points of Perspective

When you have received your Align report you'll notice that we've highlighted two primary areas:
- **Top Misaligned Drivers** - where participants have a wide range of responses.
- **Top Drivers Contributing to the Value Gap** - as an aggregate of participant responses. (NOTE: Participants other than the original owner who took the assessment will not see financial numbers. It's therefore recommended that you explain the Value Gap in the following manner, leaving out mention of the actual numbers: *"While all Drivers are important, these Drivers need the most attention and working on them will contribute the most to the value of the company."*)

These two areas may not match, and in many cases they won't. As an advisor, it's up to you to work with the business owner(s) to see what they want to tackle first before heading into your team meeting.

As you discuss the Drivers you'll usually find that misalignment is the result of a lack of communication and understanding between team members. Clearing this up goes a long way toward gaining cooperation and faster implementation going forward. You can help facilitate this by knowing what "best practice" documentation will be called for forward and asking:
- What do you have in place?
- What needs to be developed?
- How has or will this be communicated to the entire team?

The following page can help you open conversations and clear up misunderstandings or a lack of communication. It will also highlight what needs to be done going forward to achieve preferred documentation and operational excellence.

The 18 Drivers listed on the following page and subheadings under each one are what we'll be looking at during business planning down the road. The overall goal is to give business owners and key people the opportunity to think about what is called for under each Driver from a "best practice" perspective and develop a documented process surrounding each one. Use this sheet as a springboard for uncovering the three bullet points above.

EXAMPLE: Suppose the Driver under discussion is "Customer Satisfaction". Bill has given this Driver high marks, while Joan has marked it as "not completely sure". During discussion you find out that Bill is in close contact with customers after delivery of the product, and therefore is a little upset that Joan has given it low marks.
1. Explain that scores are not a judgement call. For the purposes of team alignment they are more of a measure of understanding. Bill has a good rapport with customers, but Joan didn't realize he was on top of things and knew how customers were feeling.
2. But looking at the attached page, you realize there are several points that should be systematically thought about, put into a process and documented for what Bill is already doing. It should then be pointed out to Bill that "Objectives", "Plan and Process Documentation", and a "Matrix" should all be drawn up, and then a plan for communicating results on a regular basis should be implemented. This solution satisfies both people and Joan now feels better about "Customer Satisfaction while Bill's work is recognized. Your work is to now help Bill document what he's already doing. This will be noted in the "Next Steps" list in the report.

Growth 7.0
- Company Growth ✓
  - Revenue Chart
  - Absolute Growth!
  - Competitor Revenue Chart
  - Relative Growth!
  - Future Growth Trend
- Industry Growth ✓
  - Revenue Chart
  - Absolute Growth!
  - Niche Definition
  - Niche Revenue Chart
  - Niche Growth!
- Customer Advantage ✓
  - Revenue Chart
  - Revenue Growth!
  - Revenue Trend

Large Potential Market 4.3
- Market Size ✓
  - Market Size
  - Market Size Documentation
- Niche Clarity ✓
- Competitive Monitoring ✓
- Future Market Growth ✓

Dominant Market Share 4.5
- Market Definition ✓
- Dominant Market Position ✓
  - Quantified Market Share
  - Market Share Position!
- Market Communication ✓

Recurring Revenue 8.4
- Contracts ✓
- Customer Mix ✓
- Customer Retention ✓

Barriers to Entry 4.5
- Barriers to Entry Types ✓
- Legal Barriers Documentation ✓
- Market Barriers Documentation ✓
- Capital Barriers Documentation ✓

Operations 6.3
- Delivery Objectives ✓
  - Company Goals
  - Documentation
  - Process
- Delivery Process ✓
  - Delivery Process
  - Meets Objectives!
  - Documentation!
  - Technology!
  - Communication!
  - Scalability!
  - Improvement!
- Performance Metrics ✓
  - Metrics
  - Targets
  - Review
- Industry Standards ✓
  - Compliance
  - Best Practices
  - Certification
- Suppliers and Contracts ✓
  - Legal
  - Process
  - Supplier Back up

Product Differentiation 7.2
- Proof of Differentiation ✓
- Product/Service Lifecycle ✓
  - Industry Lifecycle
  - Lifecycle Documentation
  - Planning Documentation
- Financial Differentiation ✓

Brand 2.7
- Brand Awareness ✓
  - Brand Awareness
  - Brand Documentation
- Brand Advantage ✓
  - Pricing Model
  - Financial Measures
- Brand Protection ✓
  - Brand Name Trademark
  - Brand Logo Trademark
  - Branding Consistency

Margin Advantage 6.6
- Quantifiable Advantage ✓
  - Gross Margin Advantage
  - Net Margin Advantage
- Margin Trends ✓
- Margin Improvement Process ✓
- Margin Advantage ✓

Customer Diversification 5.5
- Customer Concentration ✓
- Trend Analysis ✓
- Future Customer Diversification ✓

Company Overview 4.7
- Business Profile ✓
- Company Story ✓
- Web Presence ✓
  - Company Website
  - Relevant Information!
  - Positive Web Presence
  - Web Presence Process
- Defined Market ✓
  - Market Understanding
  - Market Learning Process
- Competitive Information ✓
  - Competitive Understanding
  - Competitive Tracking
  - Competitive Information Process
- Strategic Direction ✓
- Trusted Advisor ✓
- Company Culture ✓

Financial 6.6
- Audits ✓
  - Independent Review ✓
  - Traditional Audit ✓
  - Annual Audits ✓
  - Audit Documentation ✓
  - Issue Resolution ✓
- Financial Statements ✓
  - Report Types
  - Financial Report Frequency!
  - Cash Flow Reports!
  - Quarter End Reports!
  - Year end Reports!
  - Financial Reporting Process!
  - Financial Reporting Review!
  - Historical Financials!
- Operating Reports ✓
  - Reports
  - Metrics!
  - Budgets and Forecasting
  - Process!
  - Review!
- Tangible Assets ✓
  - Knowledge
  - Documentation
  - Control!
  - Management
  - Review!
- Intellectual Property ✓
- Banking and Capital ✓
  - Banking Relationship
  - Defaults
  - Sufficient Capital
- Risk and Insurance ✓
  - Knowledge ✓
  - Insurance ✓
  - Assessment ✓
- Tax ✓
  - Knowledge
  - On-time Payment
  - Tax Payments
  - Tax History

Sales & Marketing 6.6
- Sales & Marketing Objectives ✓
  - Objectives
  - Quality of Objectives!
  - Process!
  - Market Segmentation
  - Pricing Model
- Marketing Plan & Process ✓
  - Plan
  - Communication!
- Market Research ✓
  - Research
  - Quality of Research!
- Sales Plan & Process ✓
  - Sales Plan
  - Sales Process
  - Communication!
  - Sales Compensation
  - Information System
- Customer Contracts ✓
  - Legally Binding Contracts
  - Review
  - Industry Standards
- Sales & Marketing Metrics ✓
  - Sales Pipeline
  - Revenue
  - Return on Investment
  - Process

Customer Satisfaction 3.0
- Satisfaction Objectives ✓
  - Objectives Documentation
  - Objectives Communication!
  - Objectives Review!
- Satisfaction Plan & Process ✓
  - Plan Documentation
  - Customer Satisfaction Process!
- Customer Satisfaction Metrics ✓
  - Metrics Documentation
  - Metrics Review!

Senior Management 4.6
- Roles & Responsibilities ✓
  - Organizational Chart
  - Job Descriptions
  - Process
  - Communication
- Reporting Relationships ✓
- Team Functionality ✓
- Compensation ✓
  - Research
  - Competitive Compensation
  - Performance Based
- Succession Plan ✓

Human Resources 6.6
- Roles & Responsibilities ✓
  - Organization Chart
  - Job Descriptions
  - Employee Performance Metrics
  - Employee Performance Process
- Recruitment ✓
  - Recruitment - Process
  - Recruitment Best Practices
  - Recruitment Effectiveness
- Employee Contracts ✓
  - Contract Documentation
  - Contracts Best Practices
  - Contracts Process
- Policies and Process ✓
  - HR Documentation
  - HR Records
  - HR Process
  - HR Compliance Process
  - HR Compliance
- Compensation and Benefits ✓
  - Compensation Best Practices
  - Compensation Effectiveness
  - Performance Reviews

Legal 8.4
- Litigation ✓
- Process ✓
- Contracts ✓
- Capital ✓

Innovation 4.2
- Culture and Rewards ✓
- Process ✓
- Collaboration ✓
- Metrics ✓