

Business Planning and Assessment

Overall strategic and Business Planning process

Overview



Our focus is to help clients increase the value of their enterprise by:

- Making informed decisions about value parameters
- Understanding what will drive value for the particular enterprise
- Agreeing where you stand in the value chain of your industry
- Objectively assessing the strength and depth of resources- human and financial
- Setting a course for success
- Monitoring and managing progress

Discussion Outline

- Current realities
- Process
- Benefits
- Getting started

Economic conditions are changing... and competitors are getting crafty...



Right now



- Economy is creating significant variability
 - Perceived different realities on Wall Street and Main Street
 - Delayed responses
 - Stock market up – Fragile earnings
 - Stock market up – tight credit
 - Don't ask- Don't tell
 - Waiting period is exacerbating impacts on businesses and creating sharper divisions between winners and losers
- Companies that have weathered the storm- are survivors- and have a lot of work to do to position themselves as winners
- Lower valuations, constricted cash flow and more conservative underwriting are narrowing the window for success
- Mid market companies are particularly challenged for a number of reasons-
 - Government focus on Large and Small Business
 - Lack of sound alternatives

Meanwhile



The business environment will become increasingly challenged and options will be increasingly limited- *“how much air do you have in the tank?”*

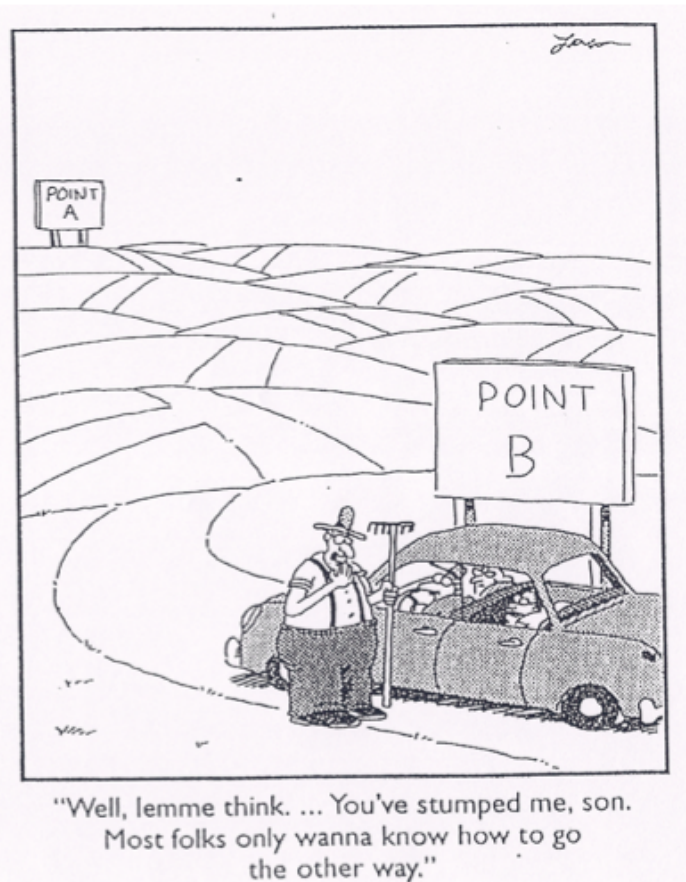
- Continued intensifying competitiveness make it tougher to win
- Lack of capital makes investment decisions tougher and more critical
- Widening gap between survivors and winners
 - Performance
 - Perceived capabilities
 - Valuation
- Continued tight credit standards will make rebound slow
- Favorable options become increasingly limited

Faced with this environment

A truism is that most business leaders want their organizations to increase in value

- Organizations can benefit from stepping back in this environment and taking stock-to verify and reinforce their organization's ability to create and sustain value
 - Set direction and unanimity of purpose to reduce wasted resource
 - Make critical resource allocation decisions in light of tight resource availability
 - Establish concrete benchmarks and performance targets to gauge performance
 - Communicate to stakeholders to “lubricate” the path to success
- Proactively work with financing sources
 - Promote understanding of business dynamics
 - Secure support for continued business support and investment
- Perform and hit targets
 - Prove your organization has the smarts and capabilities to drive positive investment returns

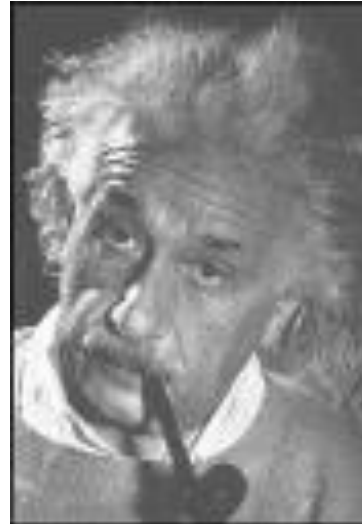
But many organizations are stymied by the status quo



Many organizations appreciate the value of taking a hard look at their business- but...



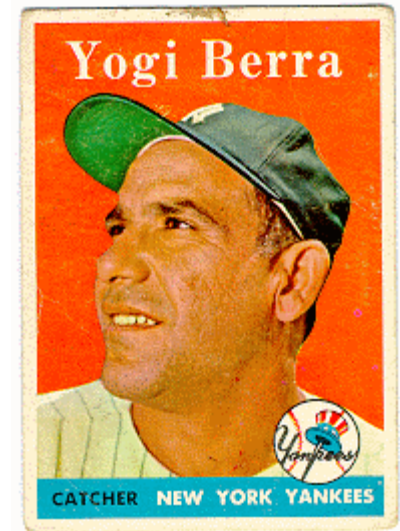
"Man will occasionally stumble over the truth, but most of the time he will pick himself up and continue on"



"Everything should be made as simple as possible, but not simpler"

AND

"We cannot solve our problems with the same thinking we used when we created them"



"You've got to be very careful if you don't know where you are going because you might not get there"

... but need to add rigor to the process to ensure success....



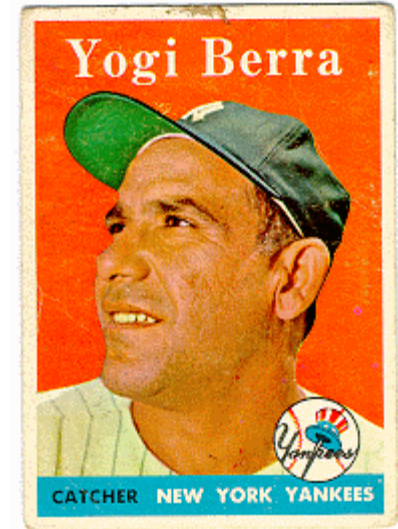
Need to objectively assess your realities

*truth, but...
the time he will pick
himself up and
continue on"*



*"Everything should be
made as simple as
possible, but not simpler"*

AND
Need to look at your realities differently



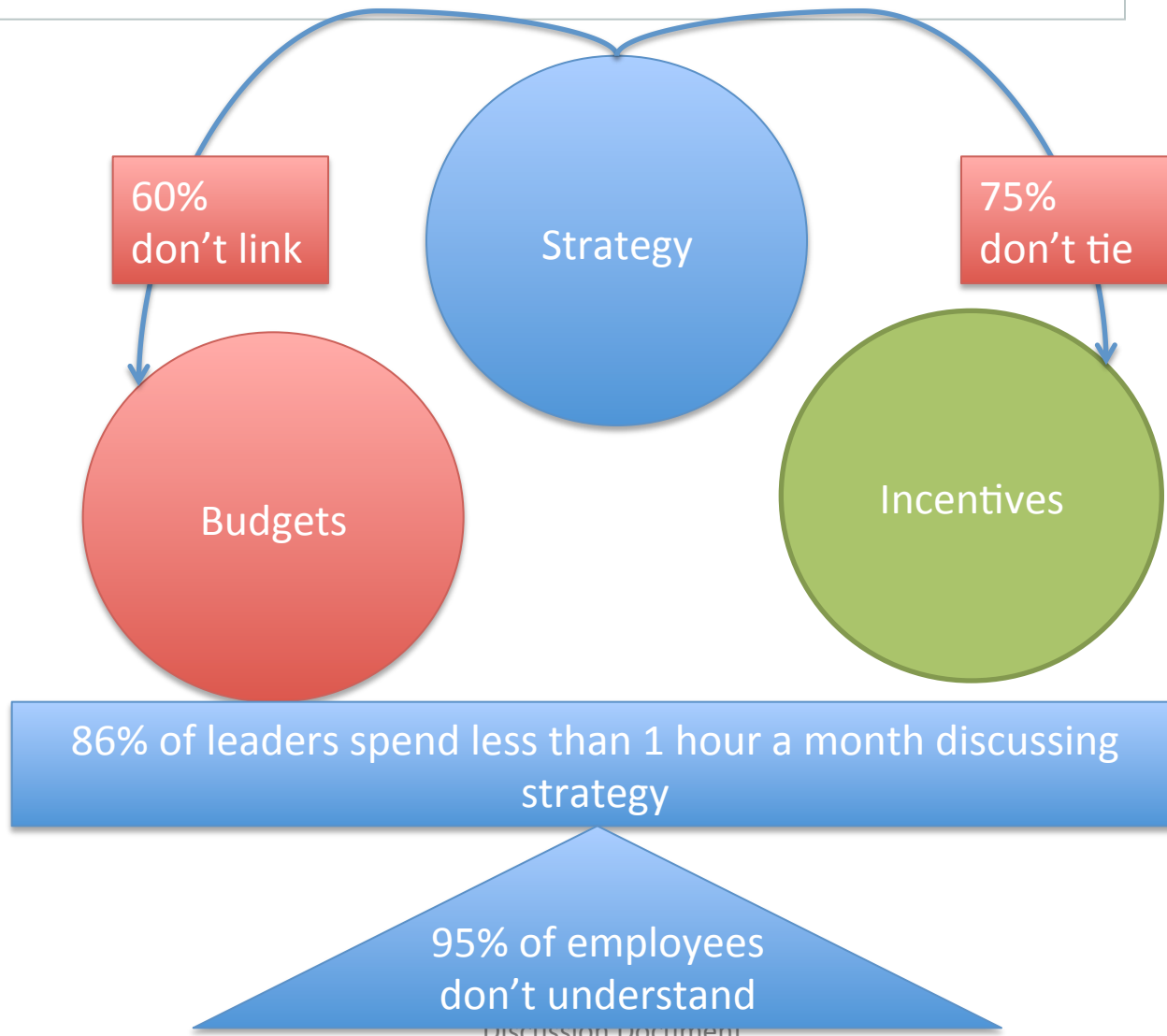
You need a plan for success

get there"

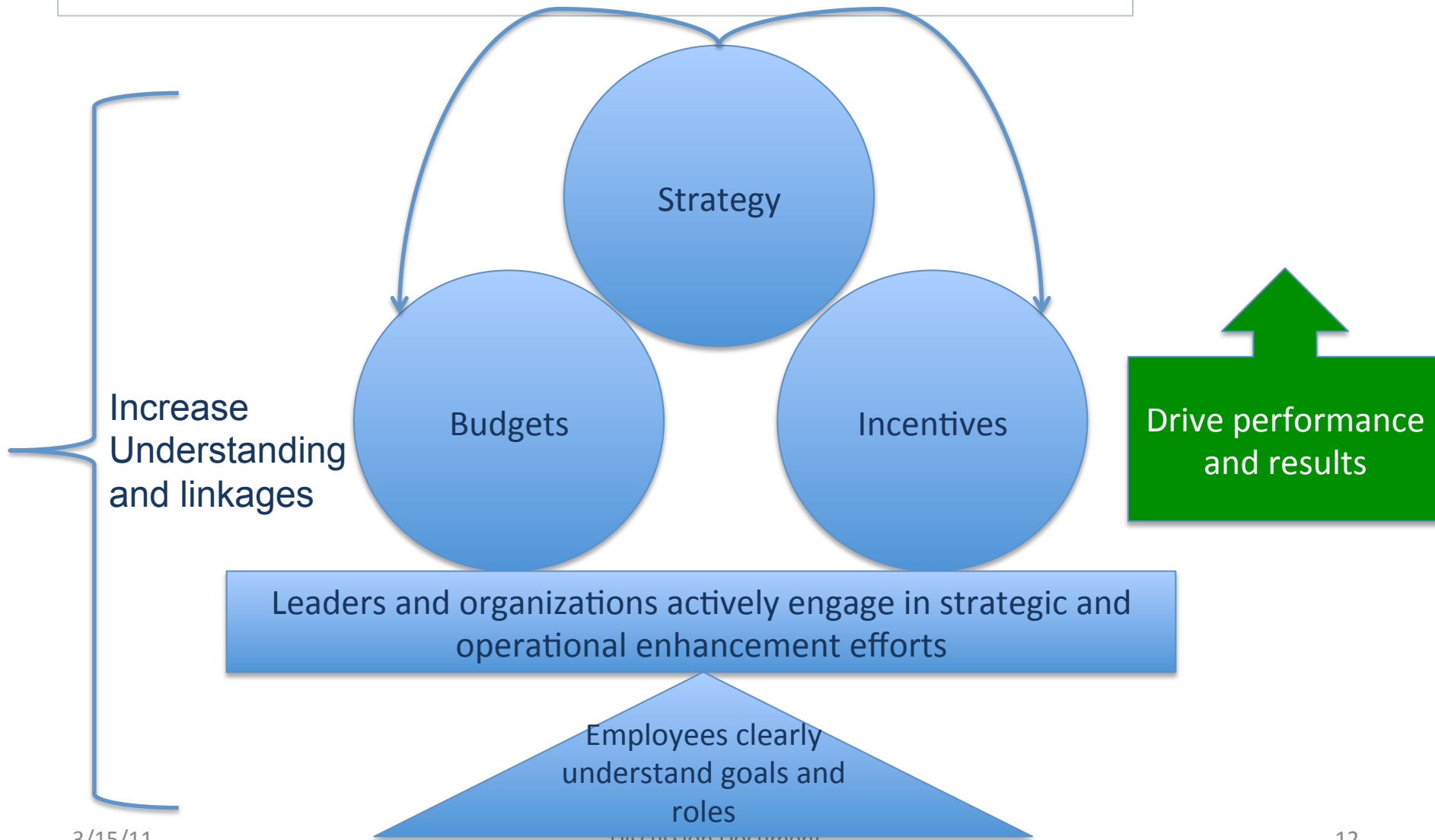
Avoidance of rigorous assessment, hard thinking and thoughtful business planning have resulted in unusual solutions...



The state of the market has created a precarious situation...



The objective of our process is straight forward



The challenge for the organization is to focus on the right opportunities and challenges...

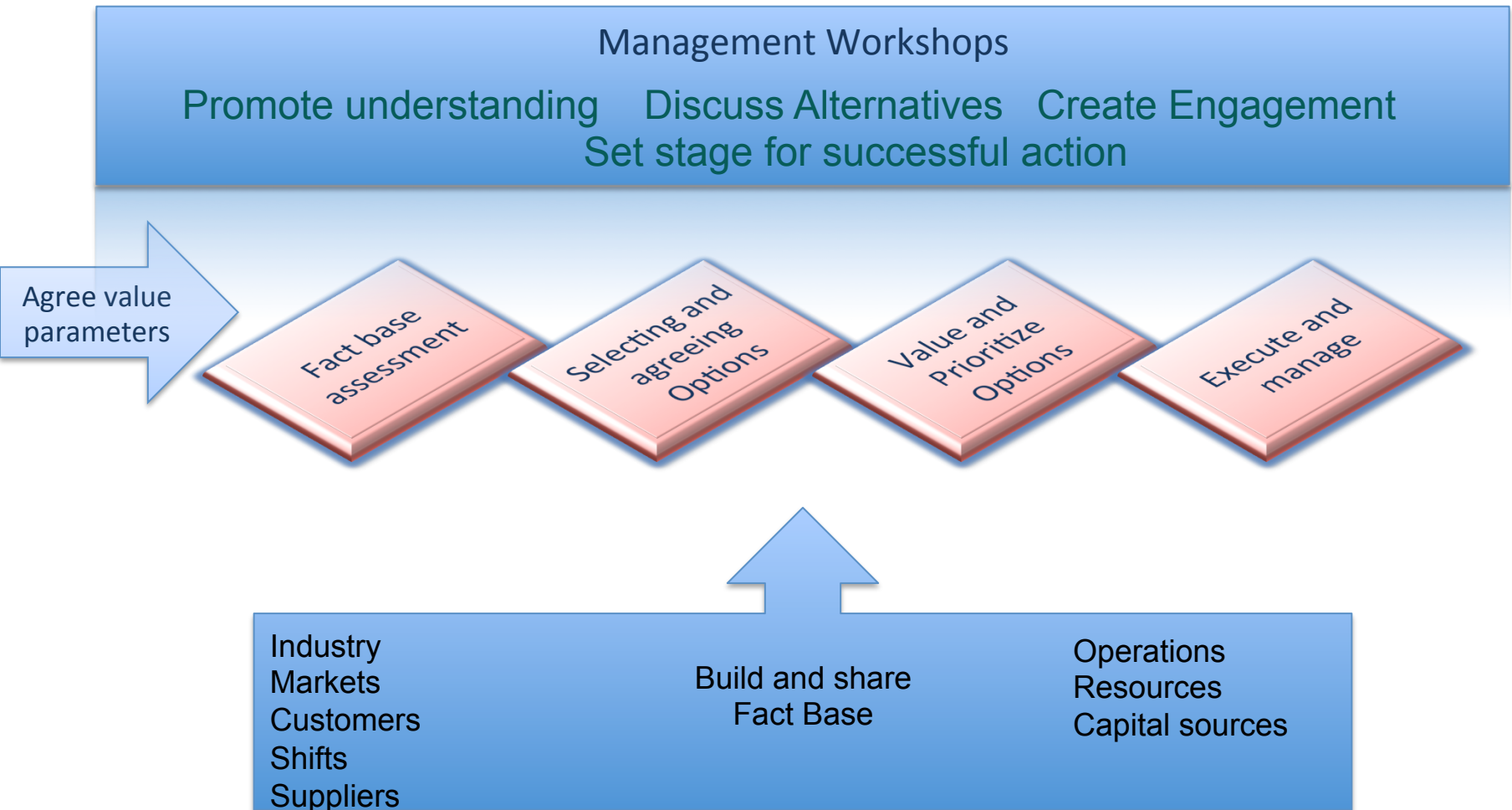


Action planning to drive value and get focused on the mission critical matters

- Based on 30+ years of experience working with companies in various stages of transition
- Supported by solid analytics to promote understanding
- Underpinned by sound group dynamics theory to ensure rapid transition from plan to action to positive results
- Make sure everyone understands the “business of the business” to make sure they are all “pulling the rope in the same direction”



Key components of the Value Driven Action Planning Process



Solid fact base and risk assessment

- Markets
- Technologies
- Customers
- Operations
- Financial capacity
- Organization capacity
- Quality of financial and operating reporting and insights



- What are the facts?
- What is changing?
- Is the direction of change helpful or problematic?
- What are the key factors influencing value creation?
- Which are legacy issues- and which are new or emerging?

How do these matters fit together?

Selecting and agreeing options

- Resource limitations and imperative for success requires decisions re resource allocation
 - Need for objectivity as the “rules of the game are changing”
 - Need the team behind the chosen options- and limit mourning for the options not chosen
 - Position organization for action
- Approach is 90% of the influence on success
 - Provide opportunity for key leaders to participate and engage
 - Establish protocols to evaluate, select and move on...

Value and prioritize options

- Establish concrete plan
 - Devise balanced performance measures
 - Strategic
 - Operational
 - Financial
 - Determine overall impact of plan on resources and gear plan to drive value
- Basis for communication
 - Becomes the “handbook”
 - Know what you are changing to/from
 - Establish ownership and clear accountability for outcomes

Armed with commitment and agreement- execute and monitor

- Help business leaders execute their part of the plan
 - Keep communication open to enable “audibles” and flexibility
 - Assertively monitor success and measure against agreed standards
- Consistently measure and evaluate to promote understanding
 - Hold regular performance management and accountability sessions
 - Tailor to ensure success

Structured management workshops

- The work of success is shared by the management team
- Thoughtfully facilitated to be effective and efficient use of time
- Proven methods ensure the best thinking is considered and enhanced by group input
- Fact based decision making is stressed
- Strategic thinking is modeled for continued focus after the process is complete
- Promotes understanding of the interdependencies of the business operations
- Provides sense of shared accountability for positive outcomes
- Targets and goals established in practical setting; become the litmus test for options

Expected outcomes

- Individually tailored strategies for success
- Chosen course of action
 - Articulated
 - Operationalized plans
 - Expected benefits
 - Expected cost structures
 - Teams charged with transition/execution of plan
- Performance expectations
 - Key measures and targets
- Structural recommendations
 - Organization
 - Enhancing engagement
 - Accountability and reward processes
- Documented plan and fact base modifiable for use with investors, financing sources etc.
- Better Performance

The approach

- Fast paced and draws on Organization's knowledge
- Structured with focused workshops
- Duration depends on organization's ability to
 - Commit dedicated and focused time
 - Present and share key facts
 - Degree of difficulty "of the challenge"
 - Number of options to explore and vet
 - Degree of commitment to value creation
- Highly structured to ensure appropriate levels of understanding and providing opportunity for adequate discussion and consideration
- Generally... can be accomplished within a 30 day timeframe
- Proven

- PMCC Ventures is a Business Advisory, Consulting and Interim Leadership Firm focused on helping our clients create and sustain value. We are extremely client focused. It's not altruistic- its the only way we believe a Consulting business can thrive.
- We serve Investors, Business Leaders and Lenders. Built on more than 25 years of business leadership and consulting experience, our intention is to provide high quality consulting services to clients that are committed to creating and sustaining value for their businesses.
- PMCC Ventures combines experience from large, middle and small business markets to deliver unparalleled services to its clients. Our experience combined with the skills and experiences of our partners in the Constellation Group, enable us to provide comprehensive services on a Global basis to our clients, without the overhead of large firm structures, but with seasoned and proven talent of our Constellation Group partners.
- Throughout business, there were many times we have all thought we were operating in the most challenging and competitive of times. We all understand and believe in cycles, and intellectually acknowledge that our world will continue to become more complex and the competitive arena even more challenging. Nonetheless, each passing provides a new set of challenges for a particular enterprise. Some challenges are provided by outside factors, and many more are provided by strategic decisions that were made, or sometimes avoided within the enterprise. And even more challenge is provided by the dynamic complexity of the convergence of internal and external stimuli.
Our work is focused on helping our clients assess and deal with these strategic and operational business challenges in positive, generative ways and unswervingly keeping our eyes on the target of value creation.
- PMCC Ventures is committed to delivering top notch services consulting services to our clients in beneficial and cost effective ways..
- See our website: PMCCVENTURES.COM or contact Pat McCormick
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 - 215. 680.7331

Pat McCormick



- Pat McCormick is the President of PMCC Ventures, LLC. With more than 30 years of operating and consulting experience in multiple industries and roles within organizations, Pat leads our service delivery efforts to clients. Pat has worked with companies at all stages of development and in different financial situations, helping them to change their game in mission critical situations to create and sustain value.
- Appropriate for these economic times, Pat has lead the restructuring of more than \$500 million of debt and equity and has raised more than \$300 million throughout his career.
- Pat's experience is exceptionally tailored to help mid market companies undergo realistic assessments of their businesses, sort out practical and valuable options and work with leaders to execute the most valuable and critical options aimed at creating value. Understanding the capital raising processes he can work with companies to help them work with their sources to preserve or increase the capital necessary to secure sound and valuable business operations.
- Pat lead Arthur Andersen's Business Consulting Practice in the mid Atlantic states, was the COO of a real estate development company and most recently, prior to forming PMCC Ventures, was a Managing Director of Alvarez & Marsal.