

Board Guidelines The Strategic Assessment

- What business are you really in?
- Does the core competence have clarity?
- Is the comparative advantage well defined – and sustainable?
- Are the customers' agendas understood?
- Is the market footprint well defined?
- Has the management team thoroughly digested the company's strengths and weaknesses?
- Is there an effective feedback system in place to monitor competitor strategies and probable directions?
- Are the critical success factors in this industry well defined?
- Does the company regularly conduct market assessments on key segments of the business?
- What market and competitive information is being tracked?
- Are there significant barriers to entry?
- Can the company's value-added chain be clearly identified? Is there "world class" performance at each step?
- Is market share by customer, product line or market being measured?
- Is there a unique selling proposition?
- What power alley's (vertical markets) are being pursued?

- How is the company positioned in the marketplace?
- Are there marketing plans in place by product/service offerings?
- Is there perceived brand equity?
- Does the company have an established market reputation?
- Are there favorable industry dynamics?
- Is the industry growing? At what pace?
- Are there exceptional growth prospects?
- Is the company a market leader in most segments?
- Is the customer base loyal?
- Is there a proven “strategic model”?
- Are there recurring revenue streams?
- Are there multiple customer bases?
- Is there intellectual property? Is it protected?
- Has the management team identified major opportunities for growth and survival over the next five years? Does it encompass action initiatives, pro-formas, time frames and champions?
- Is the company a platform for acquisitions?
- Are the acquisition candidates’ margins accretive?