



**Growth Strategy:  
Example Deliverable**

*Maximizing Growth. Transforming Organizations. Unlocking Digital.*

# Goals of project

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## Model Methodology

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- 1 Lay-out a concrete path forward to building a profitable, \$XM revenue business through a combination of direct and indirect revenue creation over the next 18 to 36 months and beyond
  - 2 Provide a set of concrete, actionable strategic recommendations that support the path forward to building a high-functioning, profitable \$XM revenue business
  - 3 Build a business case, supported by a high-level financial model, that shows the business value in making the investments and incurring the expenses needed to act on the key recommendations
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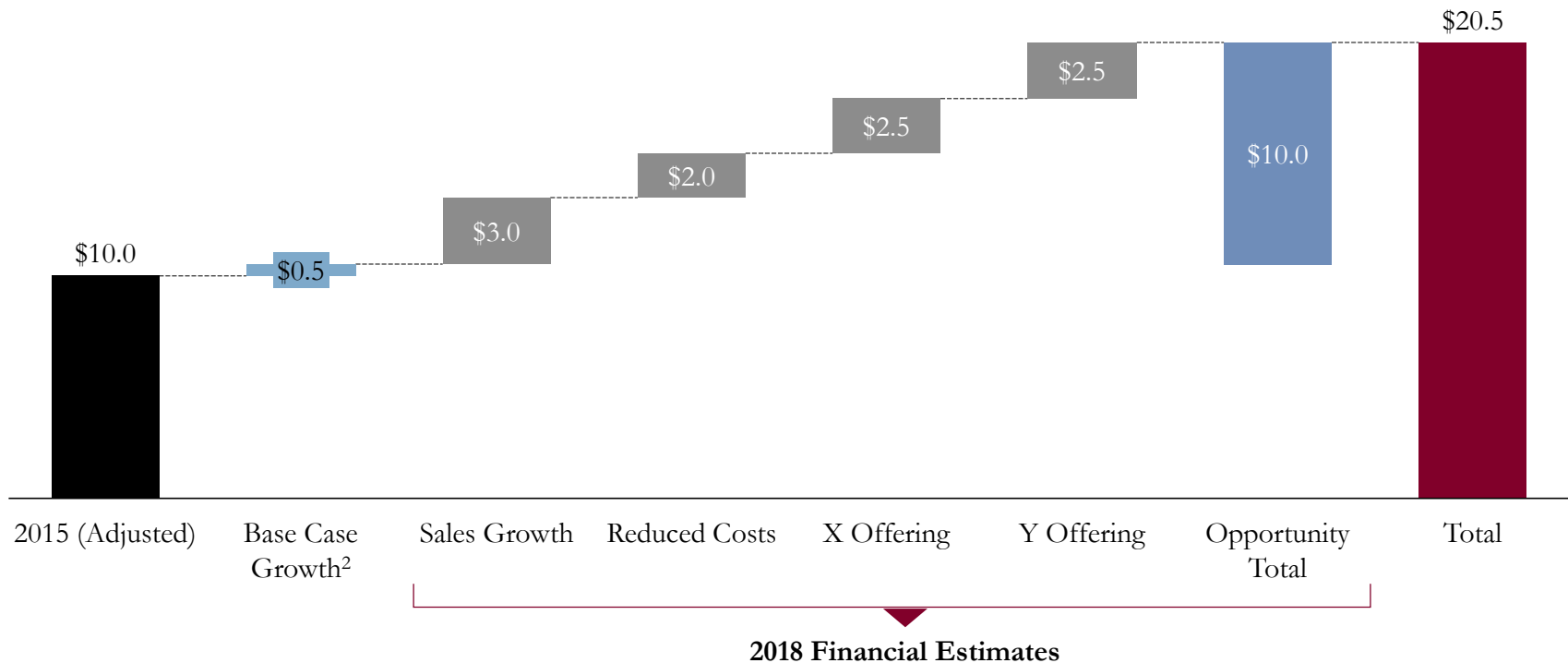
# High level business case focuses on four potential opportunities to improve the bottom line

Potential Opportunity	Overview	What this opportunity requires
Sales growth		
Reduced Costs		
X Offering		
Y Offering		

A financial model has been created to estimate growth through 2020

# Financial estimate (1/3): 2018

## Financial Estimate (2018): Incremental net income impact for base case and 4 major opportunities (\$Ms)



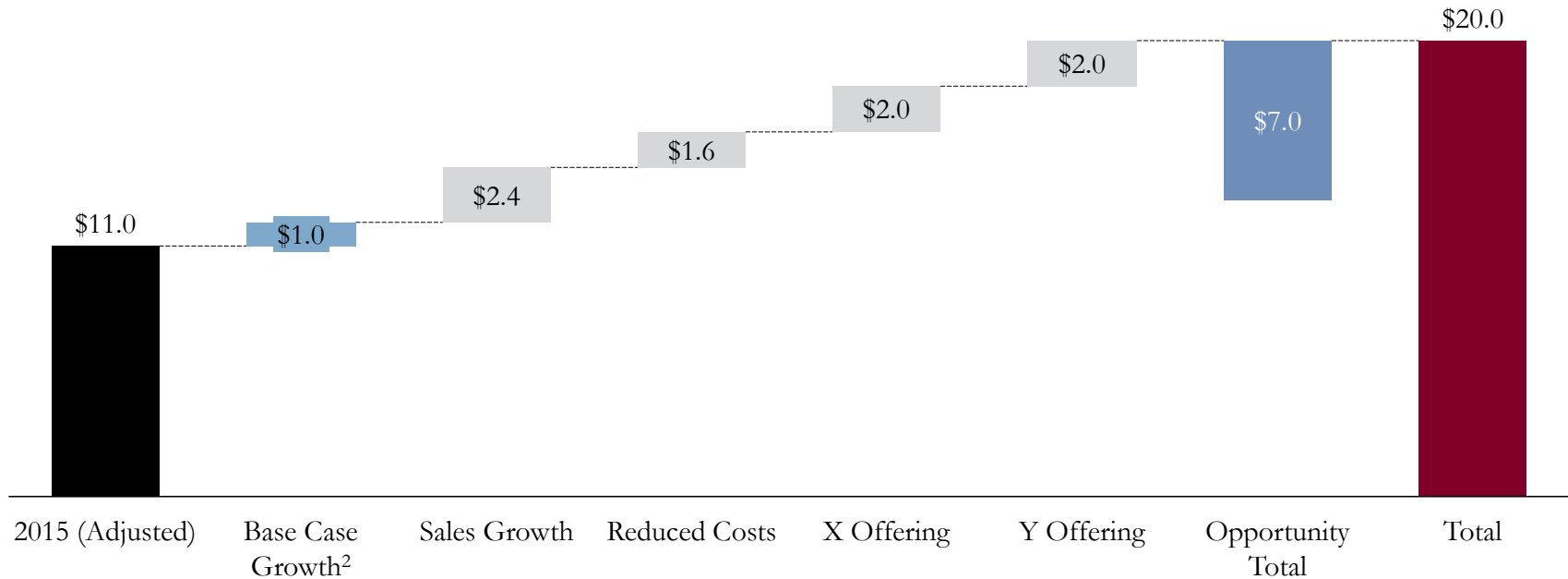
### Key comments

- The most significant opportunity in the medium term is reducing costs – almost X% of the \$X million opportunity (\$XM) is captured by reducing costs
- Hitting the increased sales growth goals would create more value (\$XM) than will be created in the base case scenario (\$XM)

Notes: 1) The X cost \$X per unit versus \$X for the X

# Financial estimate (2/3): 2020

## Financial Estimate (2018): Incremental net income impact for base case and 4 major opportunities (\$Ms)



### 2020 Financial Estimates

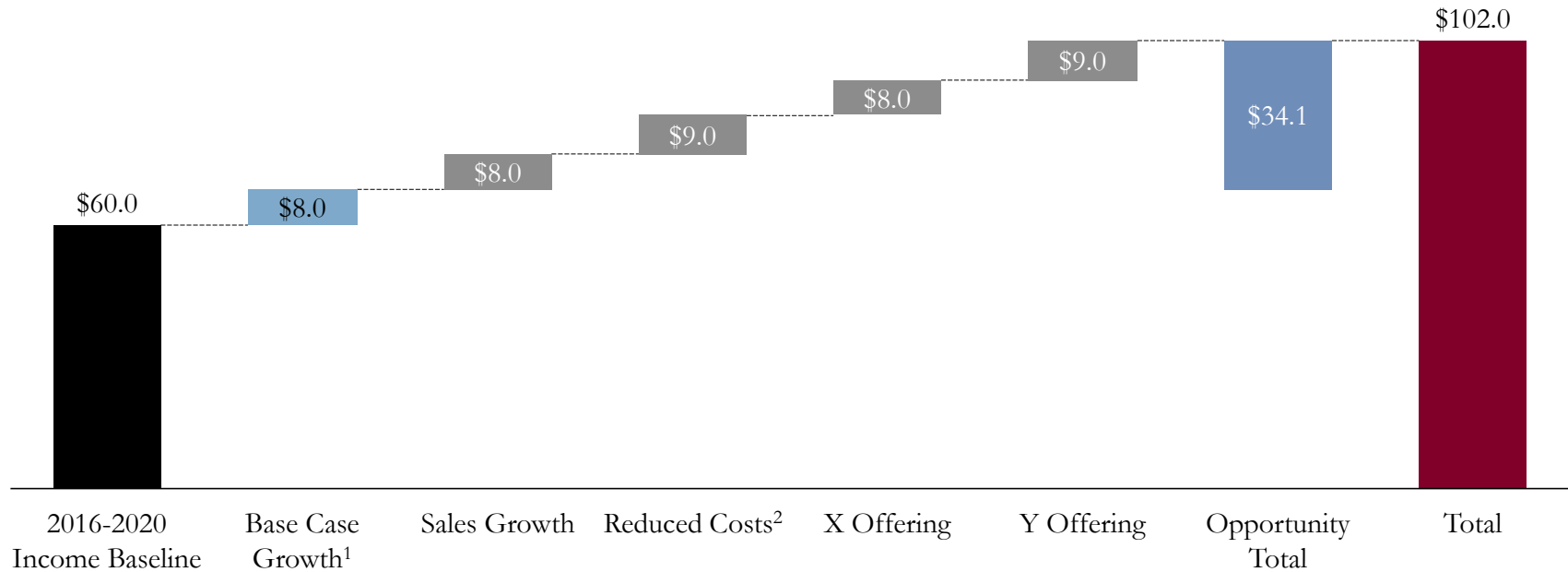
#### Key comments

- The combination of increased X sales and other included opportunities yields an estimated 2020 annual income of \$X.XM – an increase of \$X.XM a year or X%
- \$X.XM of the \$XM increase comes from the 4 new opportunities
- Reducing costs of X represents the largest opportunity (\$XM annually) but the X offering and Y offering represent a larger combined opportunity (\$XM annually)

Notes: 1) The X cost \$X per unit versus \$X for the X

# Financial estimate (3/3): 2016-2020 Cumulative

Financial Estimate (2018): Incremental net income impact for base case and 4 major opportunities (\$Ms)



Extrapolated from 2015 Actuals

2016-2020 Cumulative Financial Estimate

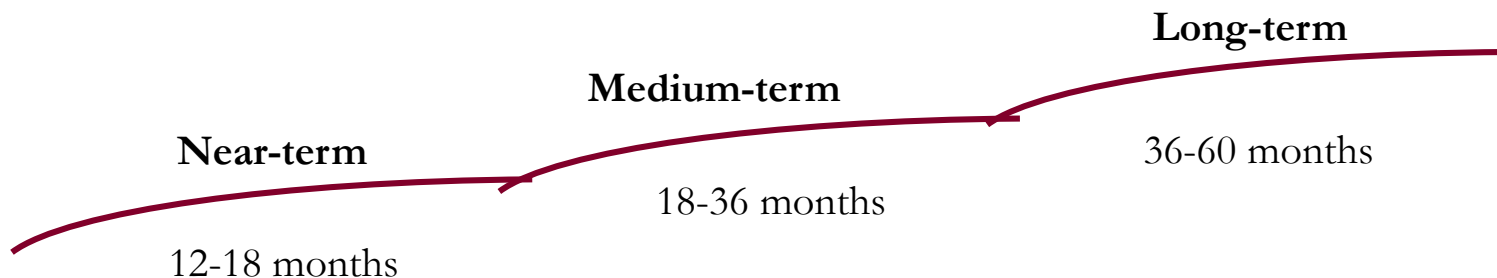
### Key comments

- The baseline growth case produces an estimated \$X million versus the \$X million created by the identified opportunities for a total \$X million net income over the period
- A reduction in the costs of X produces \$X million in income – X% the total of the new opportunities followed by increased product sales growth (\$XM) tied to X

Notes: 1) The X cost \$X per unit versus \$X for the X

# Our strategic recommendation covers three distinct time horizons with different key considerations

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**Time horizon (years):**

~1 year

1-3 years

3+ years

**Key considerations for this horizon:**

Near-term opportunities that can be captured with current capabilities

Significant opportunities that can be captured with current or adjacent capabilities

Strategically critical opportunities that may require new or adapted capabilities

# Over these horizons, our recommendation covers 7 key elements

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Key element

What this includes

Costs

Infrastructure

Data

Services

X

Y

Z





# Sequence of Recommendations

- Wait
- Work
- Deliver

Key element	Near-term	Medium-term	Long-term
Costs	<div style="border: 1px solid #000; width: 20px; height: 20px; margin: 2px;"></div> <div style="border: 1px solid #000; width: 20px; height: 20px; margin: 2px;"></div> <div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div>	<div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div> <div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div> <div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div>	<div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div> <div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div> <div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div>
Infrastructure	<div style="border: 1px solid #000; width: 20px; height: 20px; margin: 2px;"></div> <div style="border: 1px solid #000; width: 20px; height: 20px; margin: 2px;"></div>	<div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div> <div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div>	<div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div> <div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div>
Data	<div style="border: 1px solid #000; width: 20px; height: 20px; margin: 2px;"></div>	<div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div>	<div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div>
Services	<div style="border: 1px solid #000; width: 20px; height: 20px; margin: 2px;"></div> <div style="border: 1px solid #000; width: 20px; height: 20px; margin: 2px;"></div>	<div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div> <div style="border: 1px solid #000; width: 20px; height: 20px; margin: 2px;"></div>	<div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div> <div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div>
X	<div style="border: 1px solid #000; width: 20px; height: 20px; margin: 2px;"></div> <div style="border: 1px solid #000; width: 20px; height: 20px; margin: 2px;"></div> <div style="border: 1px solid #000; width: 20px; height: 20px; margin: 2px;"></div>	<div style="background-color: #808080; width: 20px; height: 20px; margin: 2px;"></div> <div style="background-color: #808080; width: 20px; height: 20px; margin: 2px;"></div> <div style="background-color: #808080; width: 20px; height: 20px; margin: 2px;"></div>	<div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div> <div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div> <div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div>
Y	<div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div> <div style="border: 1px solid #000; width: 20px; height: 20px; margin: 2px;"></div> <div style="border: 1px solid #000; width: 20px; height: 20px; margin: 2px;"></div> <div style="border: 1px solid #000; width: 20px; height: 20px; margin: 2px;"></div> <div style="border: 1px solid #000; width: 20px; height: 20px; margin: 2px;"></div>	<div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div> <div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div> <div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div> <div style="border: 1px solid #000; width: 20px; height: 20px; margin: 2px;"></div> <div style="border: 1px solid #000; width: 20px; height: 20px; margin: 2px;"></div>	<div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div> <div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div> <div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div> <div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div> <div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div>
Z	<div style="border: 1px solid #000; width: 20px; height: 20px; margin: 2px;"></div>	<div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div>	<div style="background-color: #8B0000; width: 20px; height: 20px; margin: 2px;"></div>