



ENTERPRISE ORGANIZATION ANALYSIS AND SOLUTIONS DESIGN METHODOLOGY

OVERVIEW

In brief, a corporate analysis and design endeavor evaluates fundamental business structures, business processes, and organization and human systems for the purpose of improving the execution of the company's business strategy and business model.

Using theoretically sound and proven business analysis and design techniques, systemic versus symptomatic issues are identified and resolved in a manner that leads to long-term, self-sustained change. More importantly, the results assure a focused measurable and bottom-line impact.

Conditions often driving enterprise organizational assessment and design efforts include:

- Change in strategy, goals or the demands of the marketplace
- Slow or fast erosion of key business factors such as market share, sales, new product adoption, profits, etc.
- The need to design the company to optimize business execution, product development and business operations for products in various stages of product and market lifecycles.
- Acquisitions and/or business unit integration
- Turn-arounds
- Planned or occurring growth in business and/or business operations
- Enterprise-wide, business division, executive or team performance problems

Organization and operational assessments can be done systemically across an enterprise or in a more focused and efficient manner for an individual team.

Common questions that often lead executives to undertake this effort include:

- *What can we do to become more efficient in our operations and drive down overhead costs?*
- *How can I get our cross-functional operations working more effectively and efficiently?*
- *How can I increase the speed and quality of our decision-making?*
- *How can I significantly and successfully scale my business while maintaining appropriate efficiency ratios?*
- *Where would investments in my business result in the greatest short- and long-term return?*
- *How do we globalize our operations without losing efficiency or quality?*
- *What can I do to get my people executing more effectively on our business strategy and business model?*
- *How do we implement significant change and maintain or increase productivity, reduce overhead and maintain staff morale and dedication?*
- *How do I increase the time to market and reduce development time for new products?*
- *How do I streamline our operations while improving our quality and reducing our overhead?*
- *What is the most effective balance of centralized and decentralized operations?*
- *What is an effective business and organization model to drive new product development and generate new entrepreneurial efforts?*



FEATURES AND BENEFITS

Enterprise assessments provide solutions for short-term, mid-term and long-term success, allowing the company to evolve as global marketplaces, product development and other economic conditions change without fundamentally having to restructure the company. Executives gain the ability to strategically drive the company instead of reactionally responding to external demands.

Engineering societies, such as IEEE, quality societies, professional journals and academic studies suggest that these types of organizational and operational analysis efforts can yield the following approximately the following returns on a well-run global company:

- Increase intra-departmental and inter-departmental efficiencies (3% - 5%)
- Improve operational effectiveness (5-17%)
- Decrease time-to-market (3-15%)
- Increase net profit (1-5%)
- Increase margins (3-6%)
- Increase Return-On-Human-Assets (3-7%)
- Decrease executive and organizational decision-making time (10-20%)
- Decrease operational cycle time and human resource expenses in cross-functional activities (5-7%)
- Improve company scalability (5-10%)

A corporate organization analysis and solutions design project often is focused, but not limited to, the features, **benefits and improvements** in the following:

EFFICIENCY

Strategies to grow the business, enhance productivity and expand execution capability with minimal growth in infrastructure expenses, resulting in improvement in overhead-to-productivity ratios.

EFFECTIVENESS

A key to any business model is the execution of the *right* short-term and long-term activities that drive the overall success of the company. Effectiveness-related strategies will allow executives to manage key elements of their business in a purposeful and informed manner, focusing on that which is most critical.

SCALABILITY

Scaling the business with increasing leveraged capability.

SPEED OF EXECUTION AND TIME TO MARKET

Increasing execution speed of the company's business strategy and business model and improving time to market of new products are the most critical core competencies of successful enterprises.

VELOCITY

Speed of change, adaptation and flexibility are critical competitive advantages. Design solutions will provide structural, process and human strategies to significantly improve both the company's speed and velocity.

GLOBALIZATION

The economy is now a world economy. Globalization can either result in competitive advantage or an expensive overhead proposition. There is both science and an art to effectively designing global operations. This methodology creates options to: globalize operations for maximum effectiveness and efficiency, support growth, and to minimize problems due to distance and the management of dispersed operations.



CUSTOMER AND MARKET FOCUS

The beacon for all corporate change and development efforts focuses on the needs of the enterprise's customers and ever-evolving marketplace.

ORGANIZATIONAL CHANGE MANAGEMENT

The ability to initiate solutions with long-lasting success requires effective change management strategies. Industry proven change management strategies are designed into all solutions.

DELIVERABLES

The ultimate deliverable is a positive effect to the bottom line of the enterprise. On the critical path toward that end this methodology includes the following operational deliverables:

- A detailed analysis of business operations identifying key opportunities for improvement. These areas of improvement are specifically related to systemic root-cause issues associated with the three core corporate structures: business, organization and human systems.
- A detailed analysis report with accompanying recommendations. Data is collected from numerous sources such as: one-on-one intensive interviews with relevant individuals, goal-set evaluations, documentation reviews, and financial reports.
- Crucial business management data that will help the senior executive and his or her executive team to lead and manage the business strategy, business model and general operations more successfully.
- Detailed solution designs related to, but not limited to: organization structure, business and functional goals, key business processes, personnel roles and responsibilities, operational effectiveness, staff productivity, morale and teaming, cross-functional integration and execution, global organization and business model design, and organization designs for entrepreneurial and new product development efforts.
- The design and facilitation of critical process events in which company executives and experts participate in the final analysis of the data and the integrated design of solutions.
- An implementation and change management strategy for all solutions.

AREAS OF OPPORTUNITY

A corporate analysis has tremendous scope flexibility. The analysis and resulting solutions can be focused on the entire business, a specific business unit or profit center, any functional department such as sales or new product engineering, or an individual team. The process is customized for: 1) the goals of the analysis, 2) the size of the company, 3) the nature of the company's business, and 4) the functional unit such as sale, marketing, manufacturing, R&D, etc.

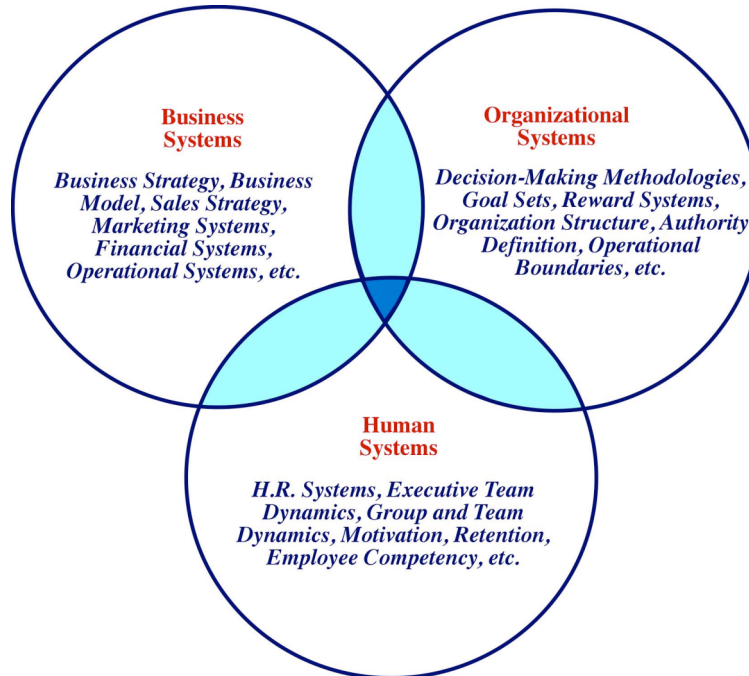
METHODOLOGY OVERVIEW

All corporate behavior is driven by three main systems: business systems, organizational systems and human systems. This methodology takes a systemic approach with the ultimate purpose of understanding and improving broad-based effectiveness and efficiency.

These three systems have a joint and mutual effect on one another. Analyzing one system in the absence of the others presents an incomplete analysis and consequently an incomplete solution, with long-term negative ramifications. The company then becomes a victim to that which it is unaware and does not understand.



The ingeniousness and elegance of this approach is how the methodology: 1) leads to a simultaneous understanding of the three-system mutual effect and its impact on specific business issues and then 2) isolates and differentiates specific system-related root causes for the purpose of designing practical, workable and executable solutions.



The entire analysis and solution design process is a joint venture between Peak Performance Group, Inc. and the client. Data collection efforts are typically accomplished by Peak Performance Group, Inc. while the analysis process and the design of solutions are accomplished collaboratively with the client.

A sample of the business, organizational and human analysis techniques employed include:

- Decision-making analysis
- Goals, rewards and compensation analysis
- Business model and strategy effectiveness analysis
- Organization effectiveness and efficiency analysis
- Business systems execution analysis
- Global organizational effectiveness analysis
- Corporate life cycle analysis
- Corporate change analysis
- Leadership and management effectiveness analysis
- Cross-functional integration and execution analysis
- Employee focus, morale and stress analysis
- Team effectiveness analysis

FEE CONSIDERATIONS

Fee structures are flexible and adaptable. The specific analysis and design approach is uniquely defined by the company's identified needs and its business goals, problems and challenges. There is a range of options that assure a substantial return on investment.