

Assessing New Opportunities

Notes and Worksheets Handout

Strength Matters Financial Management Conference

October 18, 2018

The Opportunity Assessment Questions

1. What is the **business, product, or service**?
 - Which **growth pathway** – organic growth, start-up, merger/acquisition, other?
 - Who are the **potential customers**? Is there a substantial market for our products/services? Roughly how large?
2. What is the **value proposition** we offer?
 - To what extent does this **reinforce our mission**? (High/medium/low)
 - What **particular competencies** are required? Do we have these? Do we believe we could develop them, or partner successfully?
 - Do we have both **table stakes and differentiators** to successfully compete?
3. List the **assumptions** about entering and prospering in this market. Rate 1-4 re total assumption versus total knowledge.
4. How **easy would it be to enter** this market? Why? And to exit it? Does “slow immersion” work, or is a “diving board” strategy necessary?
5. **Capital requirements** – high, medium, low
6. **Risk assessment**: What are some of the key risks, likelihood, impact, and mitigation potential?
7. **What would success look like** one year from now? 3 years? 5 years? Use reverse P&L, as appropriate
8. Would this particular expansion **substantially affect our core identity**? If so, how?

Questions p.1

1. What is the business, product, or service?

- Which growth pathway – organic growth, start-up, merger/acquisition, other?
- Who are the potential customers? Is there a substantial market for our products/services? Roughly how large?

Questions p. 2

2. What is the value proposition we offer?

- To what extent does this reinforce our mission?
(High/medium/low)
- What particular competencies are required? Do we have them, or could we develop them, or partner to obtain them?
- Do we have both table stakes and differentiators?

Questions p. 3

3. List the key assumptions about entering and prospering in this market. Rate 1-4 with 1 for complete assumption and 4 for absolute knowledge.

Assumption	Confidence Rating

Questions p. 4

4. How easy would it be to enter this market? Why? And to exit it? Does “slow immersion” work, or is a “diving board” strategy necessary?
5. Capital requirements – high, medium, low

Questions, p 5

6. Risk assessment: What are some of the key risks, likelihood, impact, and mitigation potential?

Questions p. 6

7. What would success look like one year from now?

- 3 years from now?
- 5 years from now?

8. Would this particular expansion substantially affect our core identity? If so, how?

Ease/Impact Matrix

	High Impact	Low Impact
Easy		
Hard		

Mission/Cash Flow

	High Mission	Low Mission
Cash Positive		
Cash Negative		

Where would you place this opportunity?

Can we do it?

Not sure	Capability-building options (try one out!)	Stepping stones
Yes!	Potentially do-able extensions	Scouting options (trial to learn more)
	Core business/ product	
	Yes	Don't know

Does the market want it?

Additional notes and observations