

## **Annual Company Review FY16 Version 12**

**Description, Context or Scope:**

This report provides insight into the major issues perceived to be reducing our competitiveness.

**Target State Description:**

The target state will be that described by our 2020 Vision Statement.

**Administrator's Name:**

Bob James

**1. Overall: Performance Today and the Change Required to Achieve the Proposed Target State\***

**How well is the function managing its obligations today and secondly, (will be) in the proposed Target State? (Q1)**



The best performing areas today, (shown as green on the chart), based on scaling "Strongly Disagree" (1) to "Strongly Agree" (5):

- Human Resources (5)
- Operations (4)
- Legal & Regulatory (4)

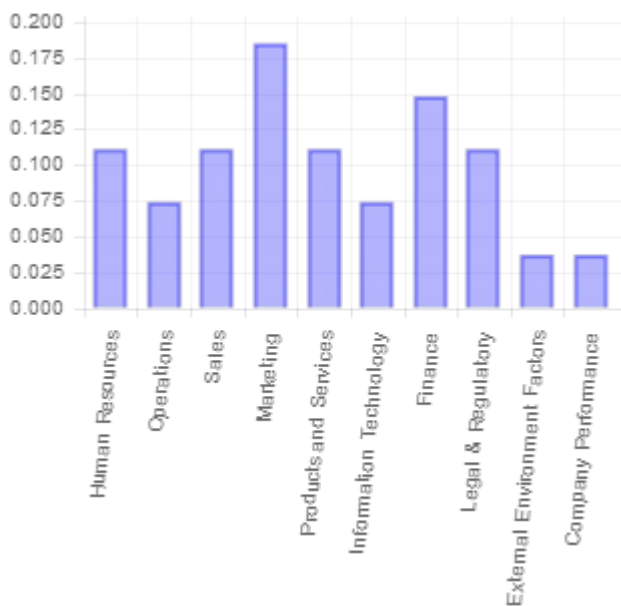
In the target state (blue), the best performing areas will be:

- Marketing (5)
- Human Resources (5)
- Sales (4)

The areas with the greatest requirement for improvement to help us achieve the proposed target state ("the Gap") are:

- Marketing (2)
- Sales (1)
- Products and Services (1)

**2. Overall: Relative Importance of Each Function to Achieve the Proposed Target State**



**Function weightings were entered in the context of achieving the the proposed target state.**

The most important functions to achieve the target state are:

- Marketing (0.19)
- Finance (0.15)
- Sales (0.11)

\* Radar Chart Note: To better enable comparison of internal company functions, Company Performance and External Environment Factors are not shown on this chart.

### 3. The Functional Definitions Used

**The definitions used below are generic and may not align with terms used in your organisation. If others are completing this survey, why not send them alternative definitions?**

- Human Resources is responsible for the management of staff (hiring, retention, leavers), supporting staff performance management systems, training, and overall staff levels. This function may also have a significant role in developing company strategy.
- Operations produces products and or services, as well as manage the people, resources and assets within their remit.
- Sales manages the customer relationships and product/services sales. This function is also responsible for managing post-sales customer support and has a role in determining the product/services mix in each market and the sales channel management strategy.
- Marketing manages the company's brand, conducts marketing events, researches potential new markets and assesses current or future product/service market performance.
- Products and Services manages the products/service portfolio lifecycle, including product/service creation (improvement and innovation), market introduction and retirement. In some companies this function might be best aligned with "Product/Service Development".
- Information Technology is the primary provider of IT systems and services that enable the company to provide efficient products and services, and help the company to meet its regulatory requirements. The IT function acts to protect the company from IT related threats and loss in operations or intellectual property.
- Finance manages the financial aspects of company operations and assets, transactions with suppliers and customers, financial regulatory compliance, and the strategic plan (incl. divestitures, acquisitions, capital investments).
- Legal & Regulatory is responsible for overall regulatory compliance in each market and country that the company operates, all contracts, and protection of company intellectual property.
- External environment factors are those things outside of the company's control that influence current company performance. These include; market analyst and shareholder expectations, changes in government policies or regulations, macro economic cycles, and dynamic changes in competitor capability and customer preferences.
- The company overall has obligations to staff, customers, suppliers, governments and often the local community, in addition to achieving the business goals of its primary stakeholders such as shareholders.

## 4. Human Resources

### Current State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Agree**

Strengths include:

HR have led the transformation from a products-led company to a customer experience-led company.

### Current State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Disagree**

Weaknesses include:

Cant think of any negatives for HR

### Target State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Strongly Agree**

Strengths expected in the Target State:

HR can go the next step interns of internationalisation of our values and HR management.

### Target State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Neither Disagree or Agree**

Weaknesses expected to remain in the Target State:

Challenges will be around cultural issues and localisation of our highly domestic policies.

## 4. Legal & Regulatory

### Current State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Neither Disagree or Agree**

Strengths include:  
L and R have had a supporting role to date, and meet all expectations.

### Current State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Agree**

Weaknesses include:  
L and R will need to become a core capability for the company as international expansion plans are put in place.

### Target State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Agree**

Strengths expected in the Target State:  
By 2020, L and R will have a strong advisory service for our business across the markets we serve.

### Target State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Disagree**

## 4. Products and Services

### Current State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Disagree**

Strengths include:

The history of products and product development has been strong. Unfortunately, nothing seems to be emerging to address new market opportunities, or to address competitor products.

### Current State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Agree**

Weaknesses include:

Need to reconfigure the P and S section to address current market realities and enable more rapid development.

### Target State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Neither Disagree or Agree**

Strengths expected in the Target State:

If we can convert P and S into a strong asset again, as per our 2020 vision, then many issues will be resolved.

### Target State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Neither Disagree or Agree**

Weaknesses expected to remain in the Target State:

Failure to at least meet 2020 vision metrics for P and S will lead to substantial changes being required to the product development cycle.

## 4. Sales

### Current State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Neither Disagree or Agree**

Strengths include:

Sales is operating in a BUA mode - needs to be stretched.

### Current State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Neither Disagree or Agree**

Weaknesses include:

May need to look at improving the traits of sales leaders.

### Target State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Neither Disagree or Agree**

Strengths expected in the Target State:

If we get sales right locally, then meeting 2020 vision sales targets should be possible.

### Target State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Neither Disagree or Agree**

Weaknesses expected to remain in the Target State:

Not confident that the current team understands the challenge ahead and know how to deal with it.

## 4. Marketing

### Current State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Neither Disagree or Agree**

Strengths include:  
Marketing has been overlooked for too long. It handles the basics well.

### Current State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Neither Disagree or Agree**

Weaknesses include:  
There may be limited capacity to execute the 2020 vision as this will be a strong step upwards.

### Target State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Agree**

Strengths expected in the Target State:  
We need our marketing team to exceed all other, if we are to succeed with the 2020 vision with global market penetration.

### Target State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Neither Disagree or Agree**

Weaknesses expected to remain in the Target State:  
The marketing function we are building needs to be world class, but it is doubtful that they have the time to really understand the nuances of local markets.



## 4. Company Performance

### Current State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Agree**

Strengths include:  
Strengths include product fit to market, allowing sustainable margins.

### Current State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Agree**

Weaknesses include:  
Competitive advantage will be weakened should customers want more direct service and self-serve capability. This is a risk in our approach today.

### Target State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Agree**

Strengths expected in the Target State:  
By addressing technology change that we require, ahead of any new customer demand we should be able to minimise the risk of losing market share.

### Target State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Agree**

## 4. Information Technology

### Current State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Neither Disagree or Agree**

Strengths include:  
IT keeps up with customer and employee expectations.

### Current State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Neither Disagree or Agree**

Weaknesses include:  
Cost of IT seems high, difficult to measure objectively.

### Target State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Agree**

Strengths expected in the Target State:  
Need to get to position of value for money IT services, possibly through procuring non-strategic IT via web.

### Target State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Neither Disagree or Agree**

Weaknesses expected to remain in the Target State:  
Need to diversify sourcing to improve value and ultimately flexibility in delivering the required services.

## 4. External Environment Factors

### Current State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Neither Disagree or Agree**

Strengths include:

Current market uncertainty is part of our business framework and treated as business as usual

### Current State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Neither Disagree or Agree**

### Target State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Neither Disagree or Agree**

Strengths expected in the Target State:

Expectation is that market uncertainty will still be present in 2020.

### Target State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Neither Disagree or Agree**

## 4. Operations

### Current State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Agree**

Strengths include:

Operations is a stable operation with very few surprises most years. It is considering future options for offshoring manufacturing to meet the needs of our expanding business.

### Current State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Neither Disagree or Agree**

### Target State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Agree**

Strengths expected in the Target State:

If plans are as successful in implementing new options, then operations should be well placed to meet or exceed likely demand levels.

### Target State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Disagree**

## 4. Finance

### Current State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Neither Disagree or Agree**

Strengths include:

Finance is soundly managed and has appropriate KPIs in place. Need more leadership on revenue side.

### Current State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Agree**

Weaknesses include:

Contribution to revenue generation projects have had little input from Finance.

### Target State Strengths

"This function has a number of strengths that provide our company with a competitive advantage." Rated as:  
**Agree**

Strengths expected in the Target State:

Finance will need to be known for supporting the newer contract pricing process, and own the aggressive sales approach with Sales.

### Target State Weaknesses

"This function has a number of weaknesses that provide hold our company back from being more competitive." Rated as:  
**Neither Disagree or Agree**

Weaknesses expected to remain in the Target State:

Failure to meet the 2020 vision for sales will be a lost opportunity and delay revenue uplift substantially.