### Deloitte Enterprise Value Map<sup>TM</sup>

(Practical paths to increase shareholder value)

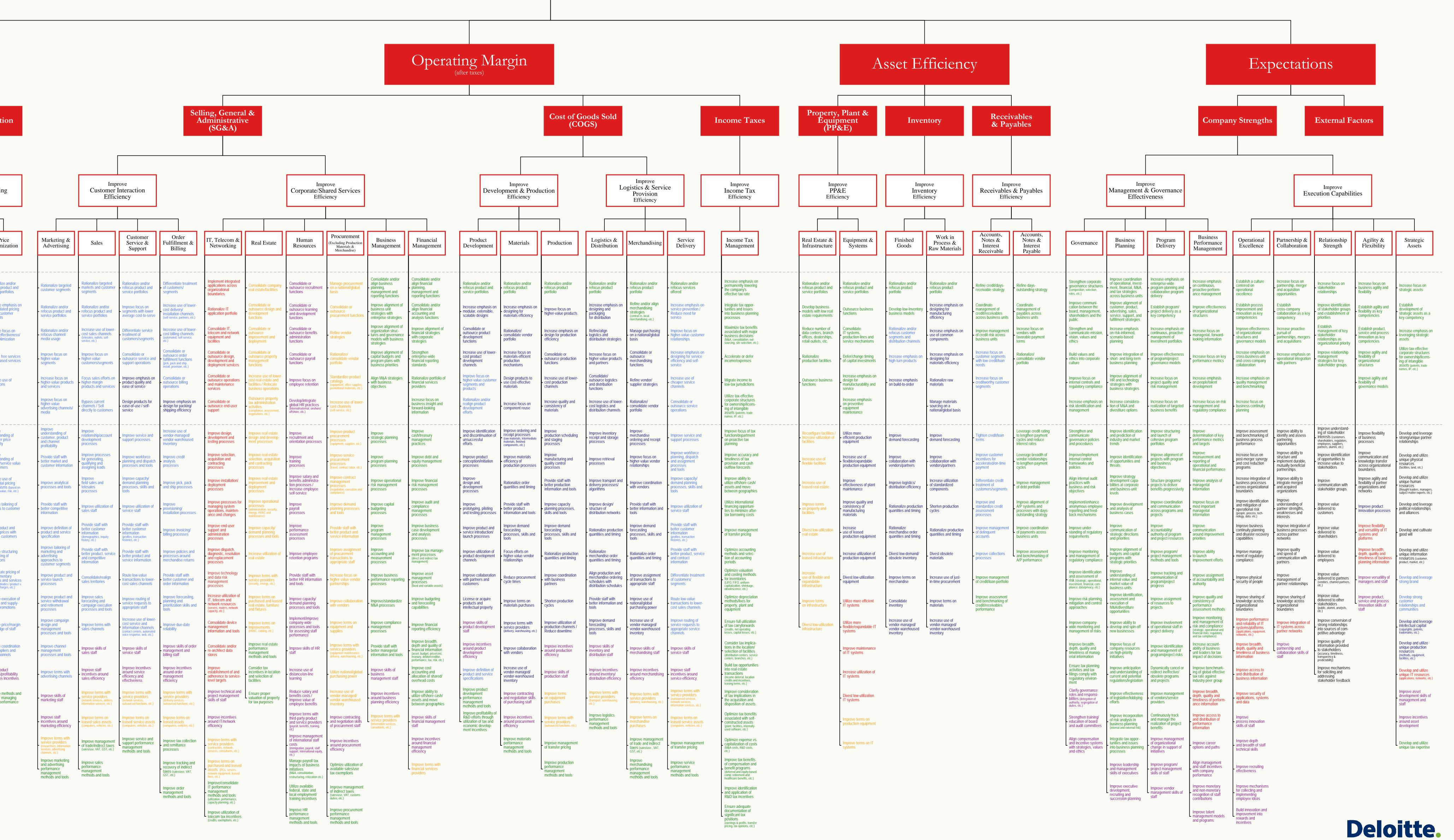
It's easy to say shareholder value is important. Here are two simple ways to use it: Not so easy to make it influence the decisions that are made every day: where to spend time and resources, how best to get things done, and, ultimately, how to win in the competitive marketplace.

This Map is designed to accelerate the connection between actions you can take and shareholder value. It is not rocket science and it is not complete, but it can jump-start the process of focusing on the things that matter most and then choosing practical ways to get them done.

- Start at the top. Working your way down, at each step ask yourself, How will we improve this? This will help ensure that your tactics support your objectives.
- Start at the bottom. Working your way up, at each step ask yourself, Why are we doing *this?* This will help ensure that every tactic leads to shareholder value.

## Revenue Growth

How Value is Created (Value Drivers)								
	Volume					Price Realiza		
What You Can Do (Improvement Levers: Business Processes, Assets and Organizational Capabilities)	Acquire New Customers		Retain and Grow Curren Customers		nt Leverage Income- Generating Assets		Strengthe	en Pricing
	Marketing & Sales	Product & Service Innovation	Account Management	Cross-Sell/ Up-Sell	Retention	Cash/Asset Management	Demand & Supply Management	Price Optimiza
Change What You Do	Increase focus on high-value/high- potential customers	Broaden product and service offerings	Increase focus on - high-value/high- potential customers	Increase focus on - high-value/high- potential customers	Increase focus on - high-value /high- potential customers	Increase emphasis on - generating revenue from company assets		Rationalize an refocus produ service portfo
<ul> <li>What you provide</li> <li>Whom you target and serve</li> <li>How you compete</li> <li>Where you deploy resources</li> <li>Which operations you outsource</li> </ul> Do What operations you outsource Do What You Do Better <ul> <li>Strengthen governance approaches</li> <li>Align resources with strategies</li> <li>Improve business processes</li> <li>Hone strategic capabilities</li> <li>Manage tax impacts and opportunities</li> <li>Improve control / reduce risk</li> <li>Collaborate more effectively</li> <li>Satisfy customers, employees and other stakeholders</li> </ul>	Increase focus on - most profitable products and services	Increase focus on R&D, product innovation, and product leadership	Rationalize customer portfolio	Increase focus on - most profitable products and services	Increase emphasis on customer retention	Increase focus on developing and protecting intellectual capital	Increase emphasis - on differentiated products and services	Increase empl differentiated across custom segments
	Increase focus on most effective sales and advertising channels	Increase emphasis on design for configurability/ customization	Increase emphasis on – account/relationship development	Increase focus on most effective sales and advertising channels	Create barriers to switching	Increase focus on - divestiture and reinvestment	Improve focus on – price-insensitive customer segments	Increase focus pricing effectiv price optimiza
	Target new geographies	Improve platform and – portfolio strategies for products and services	Improve account - management strategies	Increase focus on expansion of customer relationships	Refocus and/or refine - retention priorities and strategies		Increase focus on product innovation	Convert free s to fee-based s
	Target new segments - within current geographies	Increase emphasis on time-to-market and time-to-production- volume	Increase emphasis on customer satisfaction				Increase emphasis on supply chain management (production, distribution and	Increase use of promotions
	Expand sales and advertising channels	Increase number and – quality of product and service launches					sales pipelines)	
	Improve total customer experience (purchasing, fulfillment, usage, support, service, etc.)	Increase utilization of - modular, reusable designs	Tailor account management approaches to customer segments	Improve total customer experience (purchasing, fulfilment, usage, support, service, etc.)	Improve identification - of valuable customer relationships	Improve investment - returns on cash/ treasury funds	Improve brand - awareness / Elevate brand image	Improve understanding customer pric sensitivity
	Improve value / Decrease prices	Improve collaboration with design, development and production partners	Improve – understanding of customer needs	Improve identification - of cross-sell/up-sell opportunities	Improve understanding of churn/defection drivers	License or sell - intellectual capital to other enterprises	Obtain exclusive agreements with partners (licenses, distributorships, etc.)	Improve understanding product/servic to customers
	Improve effectiveness of marketing, advertising and sales processes	Improve reuse of – product and service components	Improve understanding of current customer satisfaction	Implement proactive and reactive cross- sell and up-sell campaigns	Improve identification - of churn/defection candidates	Sell appreciated assets	Align advertising with pricing strategies	Increase use of differential prior mechanisms ( customer value, ri
	Increase time spent selling	Acquire new product and service offerings	Improve responsiveness to customer complaints/ feedback	Improve cross-sell - and up-sell approaches/models	Improve adherence to - contracts and agreements	Develop, spin-off and sell new businesses	Improve communication and coordination with distribution centers	Improve tailor - offerings to cu needs
	Tailor marketing and - sales approaches to customer segments	Improve product/ service R&D and deployment capabilities	Proactively manage transition points (life events, ends of contracts and leases, etc.)	Improve effectiveness - of cross-sell/up-sell processes	Improve retention and win-back processes	Sell or lease excess capacity to other enterprises (production capacity, service	Improve communication and coordination with sales channels	Align product - service prices value to custo
	Improve access to - information and analytical tools	Adapt current products and services for new segments/ channels	Improve tracking of customer interactions (purchases, support requests, etc.)	Improve - understanding of customer needs	Solicit and respond to customer feedback	Improve managerial methods and tools	Improve demand forecasting	Improve struct - and pricing of promotions
	Improve quality and - assignment of sales leads	Pursue joint-venture, - partnership and OEM arrangements	Maintain competitive functionality and value	Improve visibility of customer - relationships and interactions across all channels	Improve competitiveness of product and service offerings	Improve understanding of - business unit performance and market values	Improve use of - supply- and capacity- driven promotions	Coordinate pri complementar products and s (razors v. blades / shipping charges,
	Improve brand strength and good will	Improve management - of product lifecycles (launch through retirement)	Improve responsiveness to customer requests and inquiries	Tailor cross-sell/up- - sell offers to customer needs	Offer value-adding - product and service bundles	Divest non-performing - and non-strategic business units	Improve product and - service lifecycle management	Improve exect - market- and si driven promoti
	Tailor products and - services to new customer segments	Evolve product and - service features, functionality and value	Improve quality assurance programs	Implement pricing and affinity programs based on volume and breadth	Proactively manage transition points (life events, ends of contracts and leases, etc.)	Improve ability to utilize offshore cash/ assets and move between geographies	Shorten time-to- market	Improve price knowledge of
Business Strategy and Management (Business and Financial Strategy, Mergers and Acquisitions, Tax Management, Risk Management, Compliance Management, Program Management and Performance Management)	Shorten order-to- delivery cycle time / Improve product and service availability	Remove barriers to switching	Improve account - management skills of staff	Improve brand strength and good will	Implement affinity programs	Utilize tax opportuni- ties around risk man- agement activities (hedging transactions, commodities trading, etc.)	Improve features and - functionality of products and services	Improve coord - with suppliers sales channel
Customer Strategy, Relationships and Interactions (Marketing, Sales, Delivery/Provisioning, Billing and Service)	Improve sales and - marketing skills of staff	Apply brand to new - and unbranded products	Improve incentives for - account/relationship development	Offer value-adding - product and service bundles	Improve brand strength and good will	Defer and reduce federal, state and local quarterly esti- mated tax payments	Improve quality and - reliability of products and services	Build product - margins/profit into sales ince
Product Strategy, Development and Production (Innovation and Design, Supply Chain Management, Production Operations and Logistics) Human Capital Strategy and Management	Improve alignment of - staff incentives with strategic objectives	Improve product- and - service-innovation skills of staff	Improve account management methods and tools	Shorten order-to- delivery cycle time / Improve product and service availability	Establish customer communities		Improve methods and tools for managing demand/supply performance	Improve meth tools for mana pricing perform
(Recruitment, Development, Administration and Performance Management) IT Strategy and Management (Design, Development, Deployment, Operations and Deformance Management)	Acquire companies with relationships in targeted customer segments	Improve incentives for – product development and innovation		Improve cross- - selling/up-selling skills of staff	Improve customer - service and retention skills of staff		1	
Performance Management) Other Shared / Corporate Services (Real Estate, Procurement and Other) All Process Groupings	Acquire companies in targeted geographies	Acquire companies - aligned with product strategies		Improve staff - incentives for cross- selling/up-selling	Build customer satisfaction and retention into staff incentives			
(Action may apply to all processes) Note: Many actions could logically be associated with other or multiple process groupings. For example, many customer and product actions are likely to have	Improve methods and tools for managing sales and marketing performance	Improve methods and tools for managing innovation performance		Improve sales performance management methods and tools	Improve retention performance management methods and tools			
heavy IT and HR components.		' Improve profitability of R&D efforts through utilization of tax and economic develop- ment incentives						



# Shareholder Value