

Business Blueprint

Business Strategy

Reference document

Created by:

Date of creation:

Changed by:

Date of the last changes:

Version:

Sign Off Date

Signature

Signature approval

Table of Contents

A.	Business Strategy	3
1.	General Business Strategy.....	3
2.	Enterprise Positioning.....	4
3.	Markets	4
4.	Competitive Situation.....	5
5.	Product Strategy.....	5
6.	Procurement Strategy.....	6
7.	Production Strategy.....	7
8.	Sales and Distribution Strategy	8
9.	Customer Service	9
10.	Asset Accounting Strategy	9
11.	Financial Accounting	9
12.	Internal Accounting.....	10
13.	Internet Strategy	13

Business Strategy

1. General Business Strategy

Questions:

Q: 1) Describe your company's mission statement and business philosophy.

A:

Q: 2) Which management strategy are you following to achieve your strategic goals?

A:

Q: 3) Describe at a high level in which business sectors you are operating (for example, production of tangible goods, services, distribution).

A:

Q: 4) What are the cost and revenue drivers for your business?

A:

Q: 5) Describe the main steps (process chain, high level description) of how you perform your business. Please describe each different business sector using a separate process chain.

A:

Q: 6) If any of the process chains cross different legal entities, describe the interactions between those entities (for example, selling of semi-finished products at transfer prices or subcontracting).

A:

Q: 7) Are you planning to follow special concepts such as the ones in the list below?

A:

Q: 8) Please add additional concepts to the list above if needed.

A:

Q: 9) Do you have complex scheduling requirements with dependencies and constraints?

A:

Q: 10) Which tools do you currently use to support your business processes?

A:

Q: 11) Provide a list of key business process improvements you will obtain by implementing IT SOLUTION for each of the following functional areas:

A:

2. Enterprise Positioning

Questions:

Q: 1) What is your company's legal form?

A:

Q: 2) If you are planning a legal form change, what kind of legal form are you aiming for?

A:

Q: 3) Do you have subsidiaries? If so describe them.

A:

Q: 4) Do you deal with any special legal requirement or regulations? If so, please describe it.

A:

Q: 5) Are there any special requirements or emphases from management? If so, please describe it.

A:

3. Markets

Questions:

Q: 1) What are your company's primary markets?

A:

Q: 2) What are your company's secondary markets?

A:

Q: 3) Do you have any immediate plans to expand into new markets?

A:

4. Competitive Situation

Questions:

Q: 1) How is the market structure concerning your competitors (monopoly, oligopoly,...)?

A:

5. Product Strategy

Questions:

Q: 1) Describe at a high level in which business sectors you are operating (for example, production of tangible goods, services, distribution).

A:

Q: 2) Identify the products and services from which revenue is derived.

A:

Q: 3) Group the individual products and services into the appropriate industry lines or lines of business.

A:

Q: 4) Note each industry / line contribution to revenue.

A:

Q: 5) Describe your product.

A:

Q: 6) Is your product customer specific?

A:

Q: 7) Do your business processes/products include key research and development activities?

A:

Q: 8) Do you do product design in-house?

A:

Q: 9) Do you do a significant amount of engineering?

A:

Q: 10) Does it take more than a year to plan your product?

A:

Q: 11) Does the providing of your product/service have a specific start/end date?

A:

Q: 12) Does your product delivery involve a high degree of risk to the business?

A:

Q: 13) Do you use the past to predict your product requirements?

A:

6. Procurement Strategy

Questions:

Q: 1) Please describe the structure of your vendors (for example, many small vendors, a few big vendors).

A:

Q: 2) Who owns the inventory? To whom are the costs of managing the inventory allocated?

A:

Q: 3) At which level do you value material (for example, company level, plant level)?

A:

Q: 4) Where do you want to be able to analyze the inventory balance sheet?

A:

Q: 5) How does material move between plants?

A:

7. Production Strategy

Questions:

Q: 1) Where are your production sites located (actual and strategic)?

A:

Q: 2) Which of the following production processes do you use?

A:

Q: 3) Do you produce the same product or a similar product over a longer period?

A:

Q: 4) Does the production differ from the engineering/delivery structure?

A:

Q: 5) Do your product(s) involve complex bills of materials (BOMs)?

A:

Q: 6) Do you need to assemble your product on site?

A:

Q: 7) To produce your good/service, do you have a lot of internal activities in parallel?

A:

Q: 8) Do you require period and quantity-based tools for processing your production plans or do you require tools based on individual lots and orders?

A:

8. Sales and Distribution Strategy

Questions:

Q: 1) Describe your customer base and categorize into current customer groupings (actual and strategic).

A:

Q: 2) Identify the individual products and services from which revenue is derived.

A:

Q: 3) Please describe your sales strategy (Business to Business, Catalogs, Internet, Shops, etc.).

A:

Q: 4) Group the individual products and services into the appropriate industry lines or lines of business.

A:

Q: 5) Is each subsidiary/company completely independent (company-specific goals and strategies)?

A:

Q: 6) Is there a management level that defines the goals and parameters to be achieved and gives subsidiaries/companies the responsibility of achieving those goals?

A:

Q: 7) Do you have physical locations outside your home country? Please specify the nature of those locations (for example, company, production site, distribution center, sales office).

A:

Q: 8) Is your sector part of an industry experiencing rapid growth?

A:

Q: 9) Are there significant contract penalties for non-performance (inability to deliver on time)?

A:

9. Customer Service

Questions:

Q: 1) Do you provide your customers with customer service for your products? If so, describe the individual services that you provide your customers within the framework of customer service.

A:

Q: 2) Is customer service a critical success factor of your business?

A:

10. Asset Accounting Strategy

Questions:

Q: 1) Is asset maintenance a critical success factor for your business (as it is, for example, for airlines, oil platforms or power plants)?

A:

Q: 2) Do you operate your own maintenance on the technical systems in your company?

A:

11. Financial Accounting

Questions:

Q: 1) Do you manage your costs according to your product structure/BOM or according to the customer order items?

A:

Q: 2) In which countries do you do business?

A:

Q: 3) Which IT applications will you be using?

A:

Q: 4) In what relation will these applications impact accounting?

A:

Q: 5) Which components of accounting do you intend to use? (e.g., general ledger, accounts payable, accounts receivable, etc.)

A:

Q: 6) For which companies do you want to draw up a year-end closing statement?

A:

Q: 7) Which are the legal rules for these fiscal year closings?

A:

12. Internal Accounting

Questions:

Q: 1) Is your costing approach based on standards, or on actual only? If you work with standards, do you split costs into fixed and variable portions?

A:

Q: 2) Do you use activity types (allocation bases) for a quantity-based allocation of overhead costs (quantity x price), or do you settle your costs independently of quantity (pure cost assessment)?

A:

Q: 3) Do you want to make a source-based assignment of your overhead costs to the business processes for an activity-based costing?

A:

Q: 4) Define your controlling requirements with regards to the production process (controlling key figures in terms of costs, time and quality).

A:

Q: 5) Define your controlling requirements with regard to the sales process (controlling key figures in terms of costs, time and quality).

A:

Q: 6) How do you calculate the costs of goods manufactured and the cost of goods sold?

A:

Q: 7) Do you produce your materials for stock or only once a customer has given you an order?

A:

Q: 8) Do you want to record the sales order stock with valuations?

A:

Q: 9) Do you want to analyze the total costs for sales-order-related production on the sales order where they were incurred?

A:

Q: 10) Material stock valuation with standard product costs?

A:

Q: 11) Do you value stock according to corporate and/or legal requirements?

A:

Q: 12) Do you want to analyze your production costs based on lots or periodically?

A:

Q: 13) Do you revalue your material stock with actual data at month-end?

A:

Q: 14) Do you want to analyze results for individual customers, products, countries, or market segments?

A:

Q: 15) Do you require reconciliation between internal and external accounting? If so, which kind?

A:

Q: 16) If you create a profitability analysis, do you want reconciliation on an "account" level (account method), or do you want to determine your own independent value fields that also allow different valuation approaches (account method)?

A:

Q: 17) Do you want your profitability and sales accounting to be a preliminary profit analysis based on standard costs, or a periodic profit analysis incl. period costs and variances (transfer of fixed costs and variances)?

A:

Q: 18) Do you divide your enterprise (for management reasons) into internal areas (profit centers), which are responsible for their own results and balance sheet items?

A:

Q: 19) Do you need complete balance sheets for enterprise areas, or are individual balance sheet items for the areas sufficient?

A:

Q: 20) Do you want to have group controlling including group-internal deliveries and activity relationships?

A:

Q: 21) What is the system landscape like: which IT SOLUTION systems and non-IT SOLUTION systems are in use?

A:

Q: 22) Describe your hardware structure.

A:

Q: 23) Do you work with distributed systems? If yes, which ones are they?

A:

Q: 24) Is there a multi-client concept?

A:

Q: 25) Which IT SOLUTION system components and non-IT SOLUTION system components are used for which business purposes?

A:

Q: 26) At what stage is the reporting system for Business Planning?

A:

Q: 27) Do you want to display which cost portion of production is allotted to direct material costs, material overhead, direct production costs and production overhead?

A:

13. Internet Strategy

Questions:

Q: 1) What is your Internet strategy?

A:

Q: 2) What are your requirements of the Internet?

A:

Q: 3) What kind of purchases and sales do you want to carry out over the Internet?

A:

Q: 4) How do you intend using the Internet for your internal and external business requirements?

A:

Q: 5) How will your enterprise benefit from the integration of business processes (One-step Business)?

A:

Q: 6) What challenges to your e-business strategy do you anticipate?

A:

Q: 7) What is your Change Management strategy (structural changes)?