PART TWO: RISK & YOUR COMPETITIVE LANDSCAPE

1. Last Webinar Recap
2. Competitive Pressures
3. Risk Mitigation
   a. Ignorable Risks
   b. Nuisance Risks
   c. Insurable Risks
   d. Company Killers
4. Coherence Premium
1. Stating the Service/Solution
2. The Double Diamond
3. Mapping the Service/Solution Delivery
4. Other Interventions Needed to Be Successful
5. Funder PowerPoint
The Pandemic & The Landscape of Uncertainty

**Uncertainty Landscape**
- Problem
- Solution
- Adoption
- Consequence
- Identity
- Managerial
Competitive Pressures

System Partners & Their Alignment
Threats of New Products & Services
Bargaining Power with Partners/Suppliers
Bargaining Power with Clients/Funders
Threat of Substitution
# Risk Types & Mitigation

<table>
<thead>
<tr>
<th>Likelihood</th>
<th>Low</th>
<th>High</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consequences</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low</td>
<td><strong>Ignorable Risks</strong></td>
<td><strong>Nuisance Risks</strong></td>
</tr>
<tr>
<td>Flat Tire</td>
<td>Printer is Out of Ink</td>
<td></td>
</tr>
<tr>
<td>High</td>
<td><strong>Insurable Risks</strong></td>
<td><strong>Agency Killers</strong></td>
</tr>
<tr>
<td>Earthquake Hits Office</td>
<td>Major funder pulls out</td>
<td></td>
</tr>
</tbody>
</table>
## Example Risk Mitigation Table

<table>
<thead>
<tr>
<th>Risk</th>
<th>Type</th>
<th>Likelihood</th>
<th>Consequences</th>
<th>Mitigation Tactics</th>
<th>Mitigation Costs</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manual processes crippling the agency</td>
<td>Operational</td>
<td>High</td>
<td>Can’t scale the work</td>
<td>Operations review; tech &amp; automation thru processes &amp; systems</td>
<td>Tech systems, conversions, training</td>
<td>Not Begun</td>
</tr>
<tr>
<td>Client eliminated due to COVID-19</td>
<td>Market, Systemic, Regulatory</td>
<td>High</td>
<td>Virtual drop out rate of 20%</td>
<td>Identify new client or better engage old client, learn behavior, adjust service, sell</td>
<td>Startup costs, new tools &amp; methods, marketing</td>
<td>Underway</td>
</tr>
<tr>
<td>Supply chain disrupted eliminating clients</td>
<td>Systemic</td>
<td>High</td>
<td>Cannot afford to keep human capital</td>
<td>Repurpose labor to other revenue generating areas</td>
<td>Design, training, trial and error</td>
<td>Underway</td>
</tr>
</tbody>
</table>
## The Coherence Premium

### Can We State It?

<table>
<thead>
<tr>
<th>Way to Play</th>
<th>Do We Live It?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Are we clear about how we choose to create value in the marketplace?</td>
<td>Are we investing in the capabilities that really matter to our way to play?</td>
</tr>
</tbody>
</table>

### Capabilities

<table>
<thead>
<tr>
<th>Can we articulate the 3-6 capabilities that describe what we do uniquely better than anyone else? Have defined how they work together in a system?</th>
<th>Do all our businesses draw on this superior capabilities system? Do our organizational structure and operating model support and exploit it? Does our performance management system reinforce it?</th>
</tr>
</thead>
</table>

### Product & Service Fit

| Have we specified our product and service “sweet spot”? Do we understand how to leverage the capabilities systems in new or unexpected areas? | Do most of the products and services we sell fit with our capabilities systems? Are new services, programs, and partnerships evaluated on the basis of their fit with the way to play and capabilities system? |
FROM VALUE PROPOSITION TO VALUE CREATION

DO WE KNOW THE DIFFERENCE

- We Sell Value Proposition When We Are Unsure
- We Sell Value Creation When We Can Show the ROI
- The Next Step is Working Towards Being Coherent Across the Organization
➢ Too many times singular focused just on the program, service, or the solution being built and deployed

➢ Not considering enough the risks and social landscape & how to navigate them
December - Talking Scale
Content: train the trainer, technology implementation, scaling operations, modifying the service model, creating/enhancing partnerships
Recommended Action: create a scale strategy

January - Business & Service Model
Content: business development and fundraising; reaching, engaging, and retaining clients; onboarding and relationship management; working towards stability; pitching
Recommended Action: construct business model and prepare pitches
Things You Can Be Doing

Risk Table
Funder Deck
Storytelling Exercise
Plan Your Launch
Keep Talking to Clients & Partners to Get Feedback