Assessment questions for leaders

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Frontstage



Market Explorers
How large and attractive is the untapped market potential we are going after?

There is little untapped potential and the market is shrinking.	-3	-2	-1	0	+1	+2	+3	The market potential is large, not yet occupied, and growing.



Channel Kings
Do we have large-scale and, ideally, direct access to our end-customer?

We have limited market access and depend on intermediaries to get our products and services to customers and interact with them.	-3	-2	-1	0	+1	+2	+3	We have large-scale market access and own the channel(s) and relationships with end-users of our products and services.



Gravity Creators
How easy or difficult is it for our customers to leave or switch to another company?

All our customers could theoretically leave us immediately without incurring direct or indirect switching costs.	-3	-2	-1	0	+1	+2	+3	Our customers are locked in for several years and they would incur significant direct and indirect switching costs if they left.

Backstage



Resource Castles
Do we own key resources that are difficult or impossible to copy and which give us a significant competitive advantage?

Our key resources are significantly inferior to those of our competitors.	-3	-2	-1	0	+1	+2	+3	Our key resources can't easily be copied or emulated for the next couple of years and they give us a significant competitive advantage (e.g., intellectual property, brand, etc.).



Activity Differentiators
Do we create significant value for customers because we perform and configure activities in disruptively innovative ways?

We operate conventional activities that perform similarly or worse than comparable organizations.	-3	-2	-1	0	+1	+2	+3	Our key activities can't easily be copied or emulated for the next couple of years and they give us a significant competitive advantage (e.g., cost effectiveness, scale etc.).



Scalers
How rapidly and how easily can we grow our business model without substantial additional resources and activities (e.g., building infrastructure, finding talent)?

Growing our business and customers is resource intensive (e.g., more people) and requires a lot of effort (e.g., non-scalable activities).	-3	-2	-1	0	+1	+2	+3	Our revenues and customer base can easily grow and scale without a lot of additional resources and activities.

Profit Formula

Revenue Differentiators
Do we use strong revenue streams and pricing mechanisms to monetize value creation for customers?

We mainly have unpredictable and transactional revenues that require constant cost of sales.	-3	-2	-1	0	+1	+2	+3	We have predictable and recurring revenues where one sales leads to several years of revenue.

Cost Differentiators
Is our cost structure conventional or disruptive?

Our cost structure is significantly less effective than that of our competitors (e.g., by a factor of two).	-3	-2	-1	0	+1	+2	+3	Our cost structure is significantly more effective than that of our competitors (e.g., by a factor of two).

Margin Masters
Do we have strong margins from low costs and high prices?

We have very thin margins due to our cost structure and weak pricing power (e.g., we perform worse than comparable organizations by at least 50%).	-3	-2	-1	0	+1	+2	+3	We have very strong margins from an optimized management of costs and strong pricing power (e.g., we perform better than comparable organizations by at least 50%).

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