

As a successful VC, can you answer the following questions about your portfolio clients?

- **Have you asked management to quantify the company's strengths and weaknesses from the perspective of its customers, management and employees?**
- **Can you monitor the impact on the company of changes that management agrees to make?**
- **Do you know how the company's customers compare it to its competitors?**
- **Are you aware of how the employees of the company rate those that they work for?**
- **Is management in tune with the realities of the business operations?**

## **USE A CAPABILITY SNAPSHOT® DIAGNOSTIC AS PART OF YOUR PORTFOLIO MANAGEMENT PROCESS**

All companies have strengths and weaknesses. How the various stakeholder groups evaluate them is an important element in determining the overall effectiveness of management.

Obviously, how customers see the company as compared to the competition is key to the company's ability to retain existing ones and attract new ones. However, how management and employees see the company and whether customers mirror their view can yield important information. Any significant divergence can signal a potential problem waiting to happen.

Employees generally have job security issues and are afraid to 'rock the boat'. As an investor, knowing how they feel in a totally confidential way can be critical to the future success of the business. In addition, employees often know where improvements can be most valuable.

Management may have a positive view of the company that is not shared by either employees or customers. This would indicate that management is out-of-touch and may miss signals of problems to come or opportunities to exploit.

Using a Capability Snapshot® diagnostic as part of a VC's ongoing management responsibilities is an added safeguard to protecting and enhancing your investment.

In addition, each time a Capability Snapshot® diagnostic has been completed; management can use this information to effect improvements that enhance the business. It also becomes a very effective way for them and you to monitor the changes that management makes.

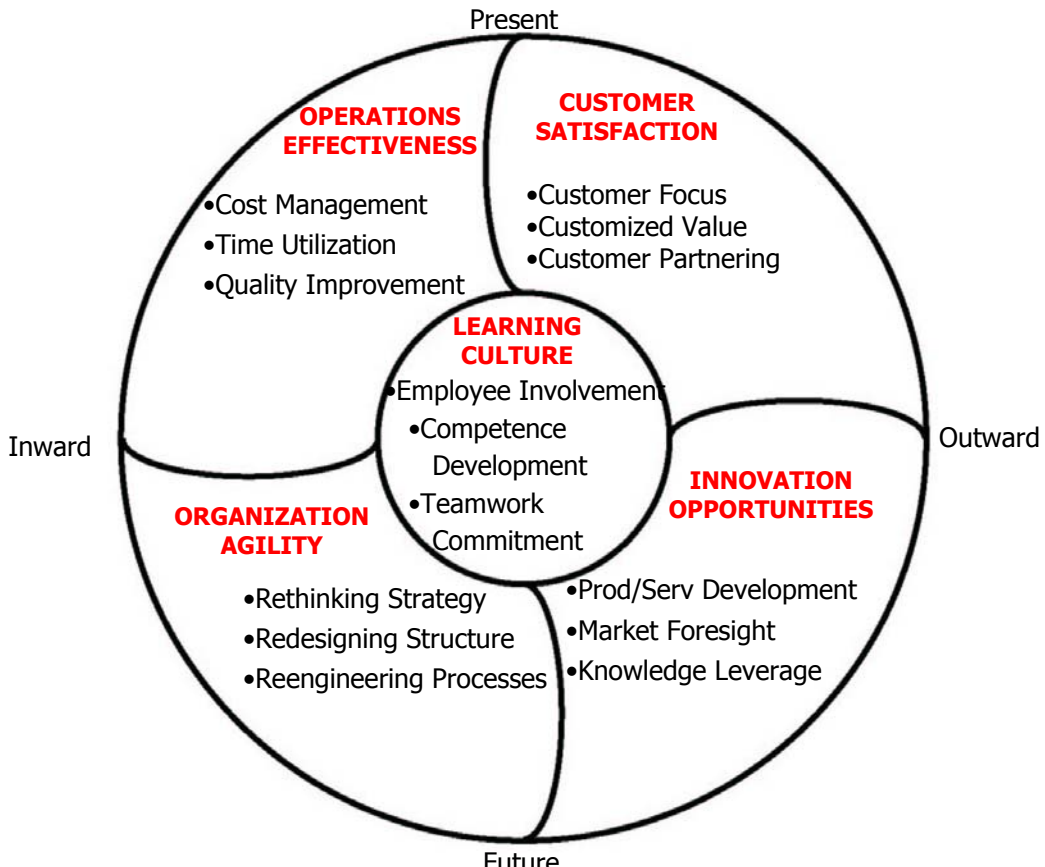
For more information on how the Capability Snapshot® diagnostic can help you and your portfolio client contact Peter Duffield at 1-800-SNAP (7627), or [pduffield@capsnap.com](mailto:pduffield@capsnap.com).



CSI Diagnostics

4994 de Maisonneuve West, Suite 103, Montreal, QC H3Z 1N2, Canada  
Tel: (514) 486-2301 1-800-933-SNAP (7627) Fax: (514) 486-8031  
e-mail: [csi@capsnap.com](mailto:csi@capsnap.com) Webpage: [www.capsnap.com](http://www.capsnap.com)

# CAPABILITY SNAPSHOT™

<p><b>WHAT IS IT?</b></p>	<p>The <b>Capability Snapshot</b> is a cost effective and efficient tool that evaluates the strengths and weaknesses of any type of organization from <b>4 different respondent perspectives</b> (customers, employees, managers, other stakeholders). It evaluates quickly and objectively <b>5 Strategic Challenges</b> based on <b>15 Essential Capabilities</b>, those programs and practices that are crucial to the attainment of the organization's strategic goals.</p>
<p><b>THE MODEL</b></p>	 <p><b>OPERATIONS EFFECTIVENESS</b> (Doing the right things in the right way)</p> <ul style="list-style-type: none"> <li>•Cost Management</li> <li>•Time Utilization</li> <li>•Quality Improvement</li> </ul> <p><b>CUSTOMER SATISFACTION</b> (Delivering outstanding value to customers)</p> <ul style="list-style-type: none"> <li>•Customer Focus</li> <li>•Customized Value</li> <li>•Customer Partnering</li> </ul> <p><b>INNOVATION OPPORTUNITIES</b> (Seeking and realizing break through innovations)</p> <ul style="list-style-type: none"> <li>•Prod/Serv Development</li> <li>•Market Foresight</li> <li>•Knowledge Leverage</li> </ul> <p><b>ORGANIZATION AGILITY</b> (Assuring that the organization adapts to change)</p> <ul style="list-style-type: none"> <li>•Rethinking Strategy</li> <li>•Redesigning Structure</li> <li>•Reengineering Processes</li> </ul> <p><b>LEARNING CULTURE</b> (Creating conditions that support continuous learning)</p> <ul style="list-style-type: none"> <li>•Employee Involvement</li> <li>•Competence Development</li> <li>•Teamwork Commitment</li> </ul> <p><b>OPERATIONS EFFECTIVENESS</b> (Doing the right things in the right way)  <b>ORGANIZATION AGILITY</b> (Assuring that the organization adapts to change)  <b>CUSTOMER SATISFACTION</b> (Delivering outstanding value to customers)  <b>INNOVATION OPPORTUNITIES</b> (Seeking and realizing break through innovations)  <b>LEARNING CULTURE</b> (Creating conditions that support continuous learning)</p>
<p><b>ADVANTAGES</b></p>	<ul style="list-style-type: none"> <li>• Identifies an organization's strengths and weaknesses and practices that can be improved</li> <li>• Identifies implementation priorities within a plan of action for improvements</li> <li>• Permits the organization to concentrate on improvements that are the most profitable</li> <li>• Enables comparisons among respondent groups and identifies best practices</li> <li>• Identifies organization's culture and provides benchmark data against which future evaluations can be compared to measure progress</li> </ul>