

# Initiative Planning through Visionary Intelligence

Implement powerful  
predictive modeling for  
future initiatives



# What is Initiative Planning™?

Initiative Planning is a process to determine which business initiatives out of a list of all considered initiatives will achieve a company's goals, benefiting the company's operations. An Initiative Planning process will result in the initiatives that are selected for action. The larger the impact of an initiative on an organization, the more likely it will be considered in a strategic planning process. Conversely, departmental or smaller plans can benefit from an initiative planning approach at an operational decision support level.

Initiative Planning™ can be used by organizations for analytical initiative planning functions in the areas of general business management, finance, strategic planning, planning, budgeting, forecasting, reporting, marketing, sales, HR, operations and production.

→ Initiative Planning™ provides analytics to assess which initiatives to prioritize. Initiative planning is scenario-based planning process that leads to improvements that will ultimately benefit a company's operations—with measurable impact on the bottom line. Initiatives are collaborative projects or campaigns that focus on improvements in an organization's work environment, company culture, and overall business effectiveness





## Basic Approach to Initiative Planning™

**First**, understand your base case or current core operational activity. Model the economics of your current operation as if there are no new initiatives, no capital expenditures and no incremental expense campaigns. The model should include your Income Statement, Balance Sheet and a Statement of Cash Flow. Understand your current important metrics, such as: Current Ratio; Return on Assets; Debt Ratio; Debt to Equity Ratio; and Return on Assets.

**Second**, assemble a team to brainstorm possible new business initiatives. At a guidance level, review the strengths and weaknesses of each initiative. (A guidance level for this purpose is defined as using the 80-20 rule, whereby using 20 percent of the effort will result in 80 percent of the information required.) Model the economics of each initiative at this guidance level. Financial models (e.g., those above) need to quantify the impact of capital and expense and provide the economic information to understand the estimated dollar amount necessary to support the initiative. Understand the important metrics of each initiative under consideration.

**Third**, test various combinations, or scenarios, of the current operational activity blended with the selected initiatives. This approach will provide an analytical method to assess which initiatives to prioritize, i.e., which scenarios lead to metric improvements that significantly benefit the company's ongoing operations.

**Fourth**, determine if there are sufficient liquid resources to support the desired scenarios or if financing will be necessary. If financing is necessary, the terms will be incorporated into the process.

**Fifth**, take a deeper analytical dive into the data to get the best possible understanding of the strengths and weaknesses of selected initiatives. Develop a more detailed budget required to secure a level of comfort to execute on the initiatives.

**Sixth**, take action on the selected initiatives.

## Improved Collaboration

Initiative Planning™ incorporates these steps and provides the means to monitor variances of actioned scenarios versus actual results; it provides “course correction” and other tools to model and manage changes to planned initiatives, further ensuring the likelihood of their success. This step is not only a best practice but also is critical in helping to develop and/or improve organizational skills that accurately project activity into the future.



A collaborative Initiative Planning approach will help focus on improvements in an organization's work environment and company culture, leading to improvements that benefit an organization's operations.

### About PARIS Technologies

PARIS Technologies is a leading global provider of team-based SaaS solutions and decision support that develops collaborative modeling, analytics, and reporting platforms to help organizations achieve their vision for the future. By grounding scalable guidance systems in data and formula independence that empowers leaders and their teams, PARIS encourages new levels of productivity and profitability and supports Visionary Intelligence for strategic future growth.

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