

# [Nanophase technologies](https://assignbuster.com/nanophase-technologies/)

[](https://assignbuster.com/)[Technology](https://assignbuster.com/essay-subjects/technology/)

ObservationI Strategic Implication I Cumulative losses since inception I Menopause will need additional financing to complete another year of operations. Its apparent that the company has experienced cumulative losses to the value of $34, 754, 188. As of Deck 2011, has $7. 4 million available in cash and investments. I Too many current development projects I Menopause does not have enough products or customers to generate revenue stream to support projects.

This also resulted in lack of business focus. I Menopause employs too many team members I When a company is operating at a ass of $34 million, its not viable to be operating with 51 full time workers (1/3 having Masters degree implying higher annual salary) accruing excessive labor costs without a ROI. I Primary revenue stream coming from one customer I In 2001, Menopause obtained 75% of its revenue from one customer.

Particularly through economic hardship, reliance upon one customer is a risk, potentially leading to immediate closure if the customer were to go under. I Competitor profiling I Insufficient awareness of competitive market - affecting Monoplane's ability to moment effectively and forecast future challenges/opportunities I High revenue ; R; D costs I Cost of manufacturing and R; D costs are way too high considering product revenue generated.

Investing further in assets that isn't selling, and having to pay storage fees, over and above cost of goods is not financially viable - resulting in company operating at a loss I Core Problem I How can MenopauseTechnologyexpect to generate a profit when they do not have enoughmoneycoming in to sustain day-to-day operations? I Recommended (SMART) Objectives I Recommended Strategies I 1 . Develop and present each of Monoplane's customer with 2 new promotional programs for next financial year.

I Develop promotional programs for current customer base, incentives them to pre-purchase upfront. | 2. Increase sales by 50% in 2002 | Focus on sales team development and implementation of strategic sales strategy. I Evaluation ; Justification of Strategies I 1 . Menopause has operated at a loss since inception and will not be able to continue operations without sourcing additional funds. As such, it is reliant upon instant cash flow drilled into the business to sustain current business operations, which can be acquired through uptake of promotional programs with current customers.

Whilst this is not a long-term solution, it will provide a short-term solution to financially prop up the business. 2. Menopause hasn't achieved any significant growth in sales between 2000 and the first half of 2002. They need to focus sales strategy on closing deals, growing customer base and better servicing current customers. Need to beef up current sales team through sales training and development, incentives (and sales targets) and managerial support and mentoring to enable them to perform at a higher level and achieve sales targets. I