



# Preparing to Charge or Trade

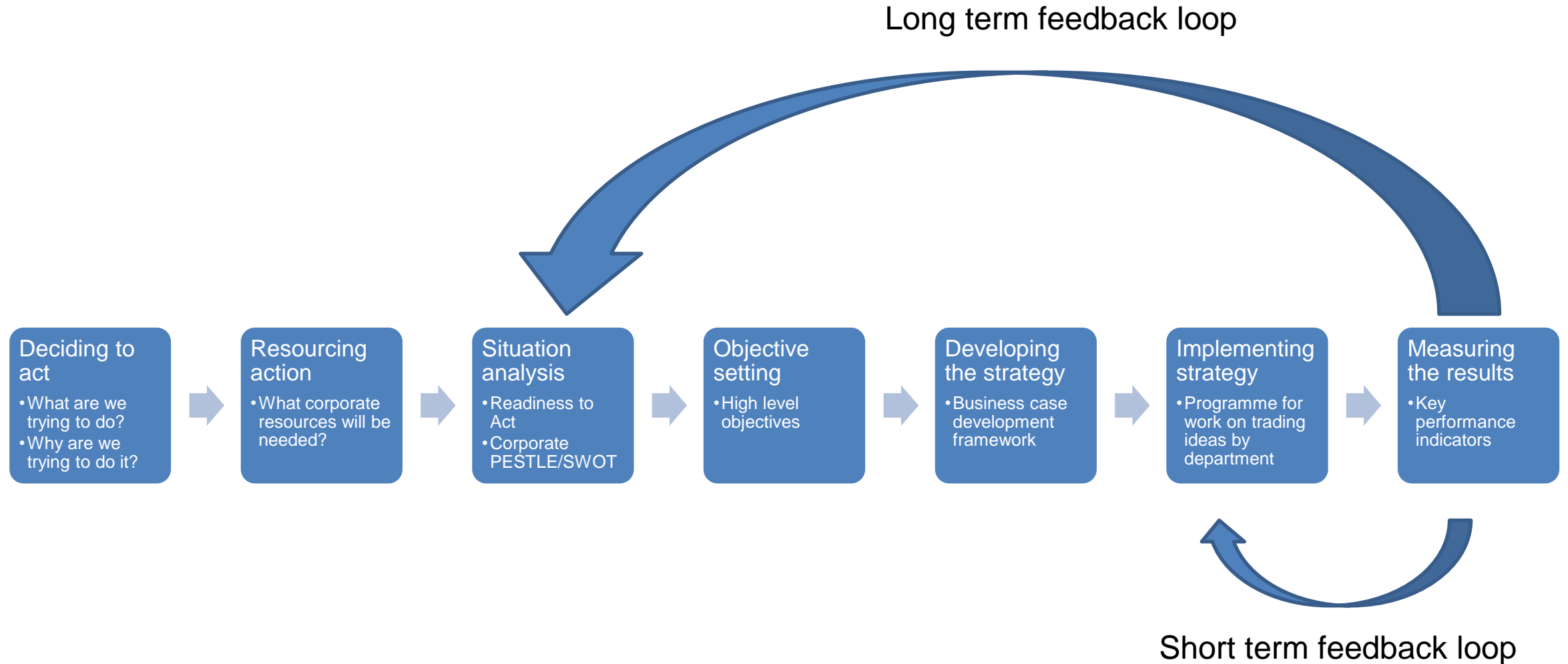
Andy Mudd



# The objective

- Charging? Trading?
- Commercialisation
- Culture?
- Marginal revenue or
- Major business initiative
- Being more like the private sector??

# Commercialisation Strategic Planning Model

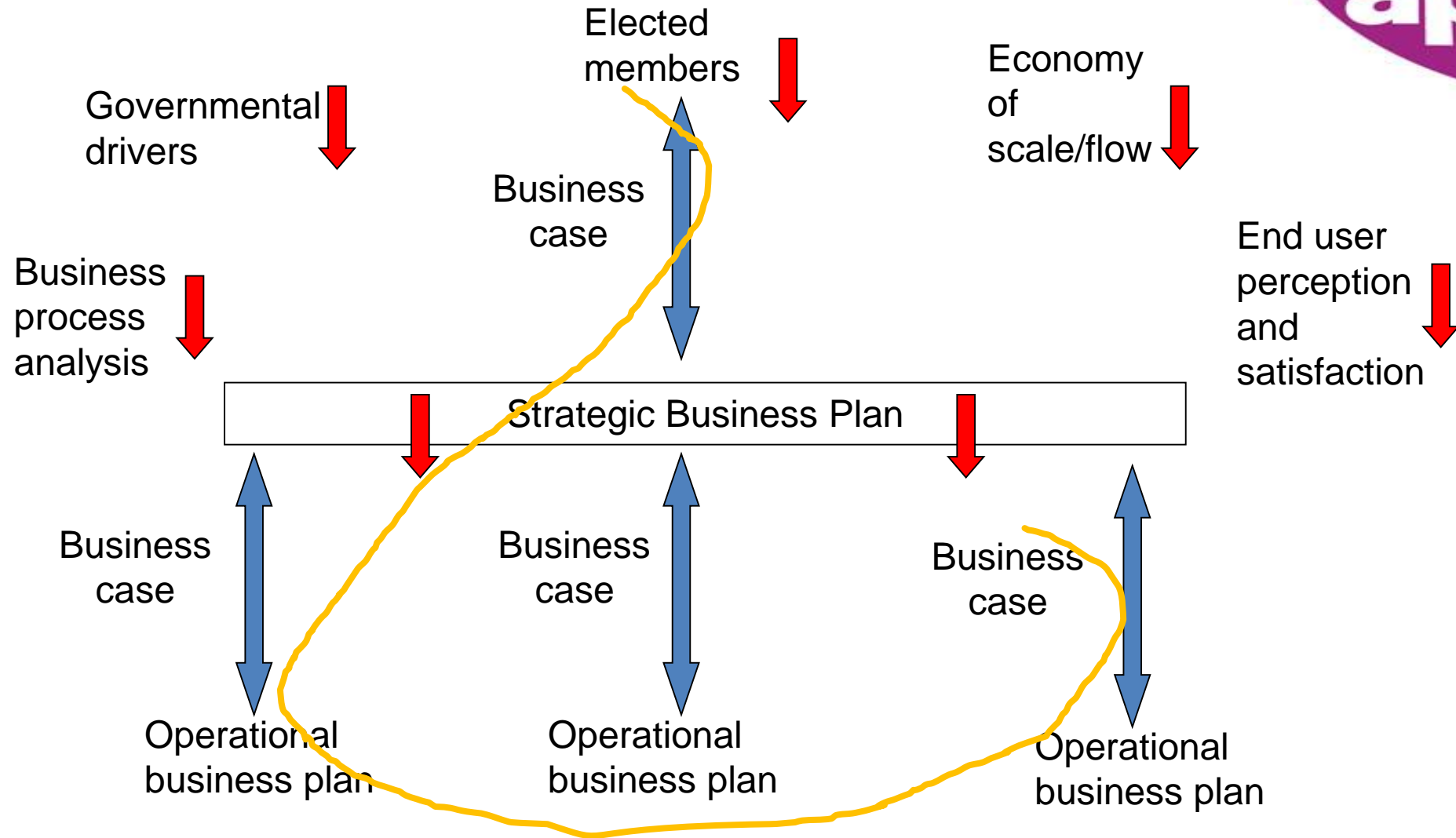




# So what is a business case?

- An argument or justification – why rather than how
- To convince investors
- Three stages
  - Strategising
  - Producing an outline case
  - Producing a final case

# A business case driven approach



→ Process  
→ Driver



# A five case model

- Treasury guidance
- A balanced approach
- Likely cases but could be different
  - Strategic
  - Legal
  - Financial
  - Commercial
  - Technical or operational



# Risk issues

- The link between risk and entrepreneurialism
- Why assess risk
- How to identify risks
- How to assess evaluate risk
- What to do with the risk assessment

# Growing the business



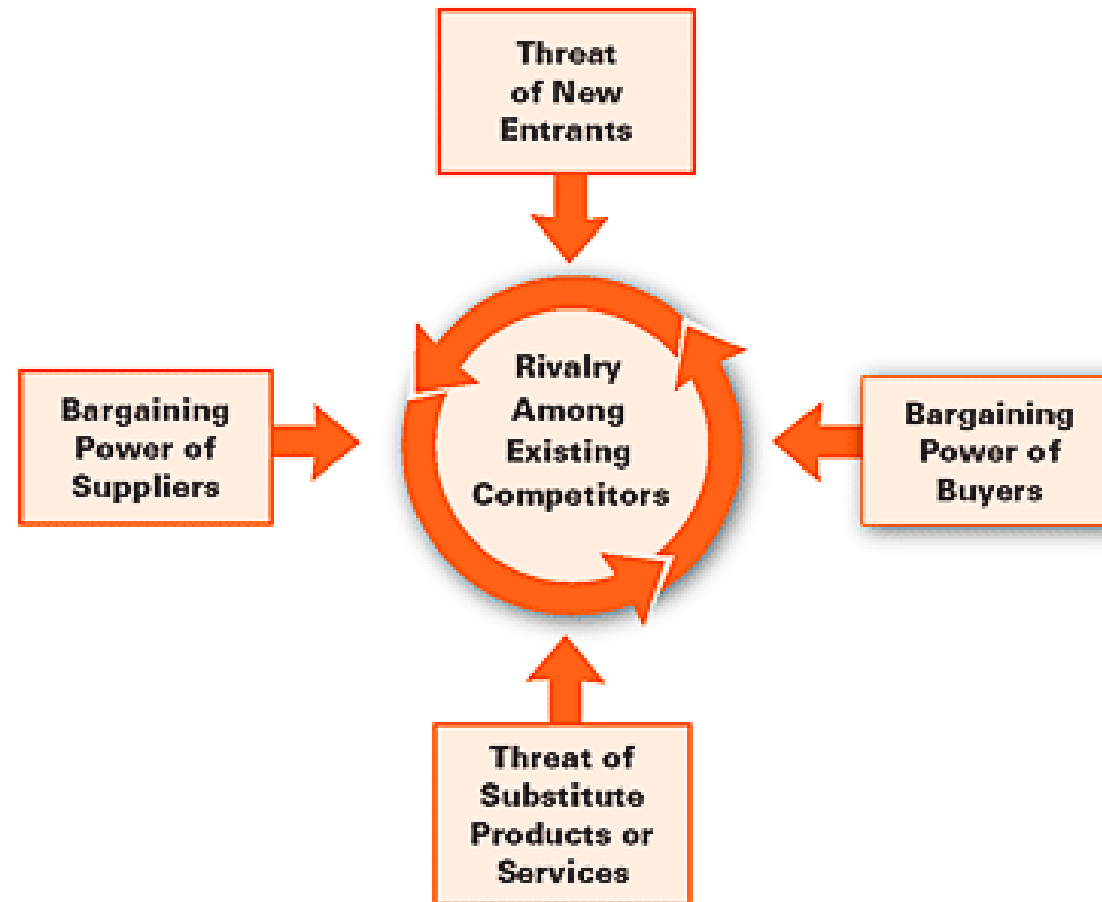
- Understanding markets
- Hearing the voice of the customer



# Understanding an industry



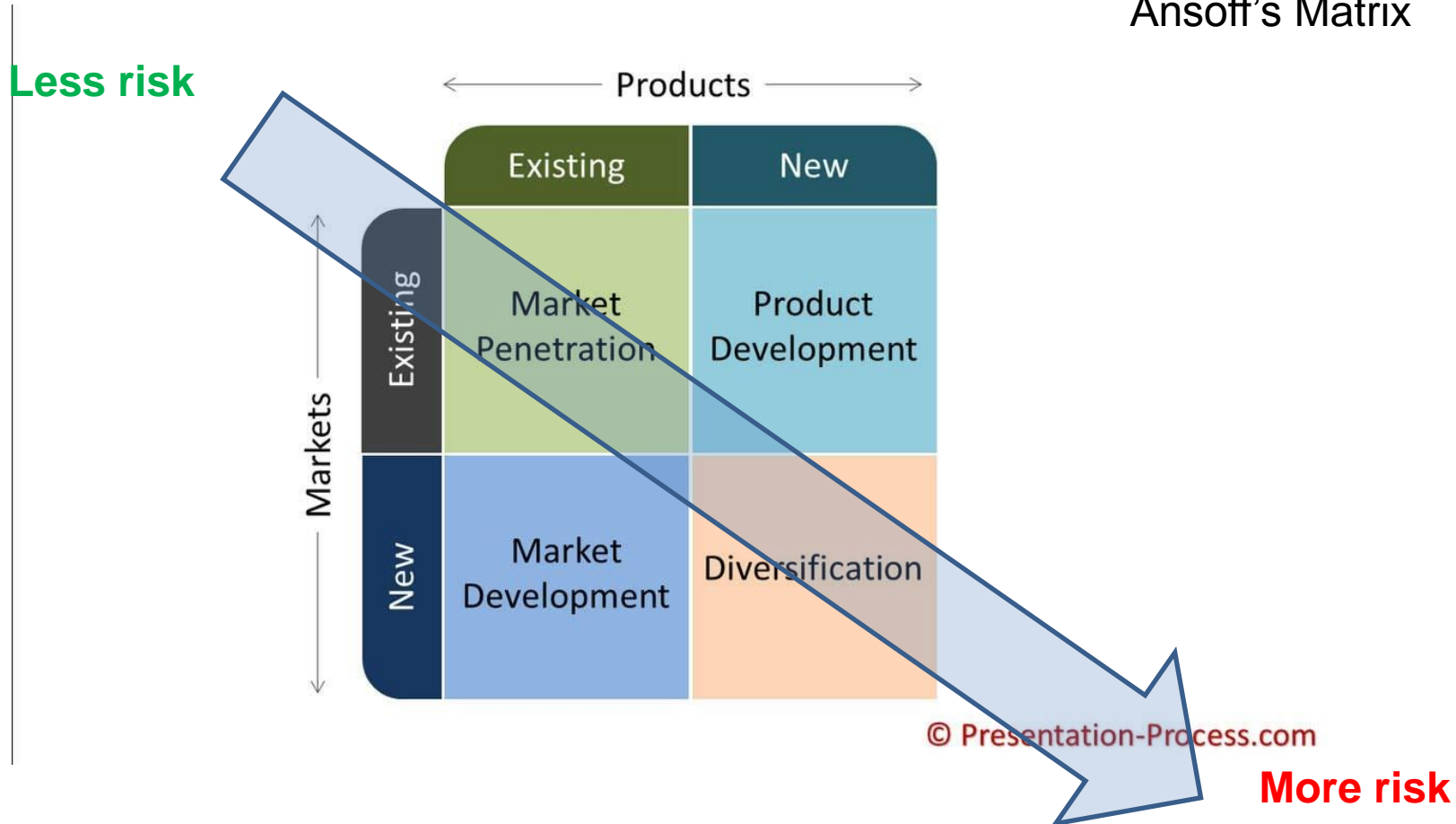
## The Five Forces That Shape Industry Competition



# Growing the business – a commercial approach



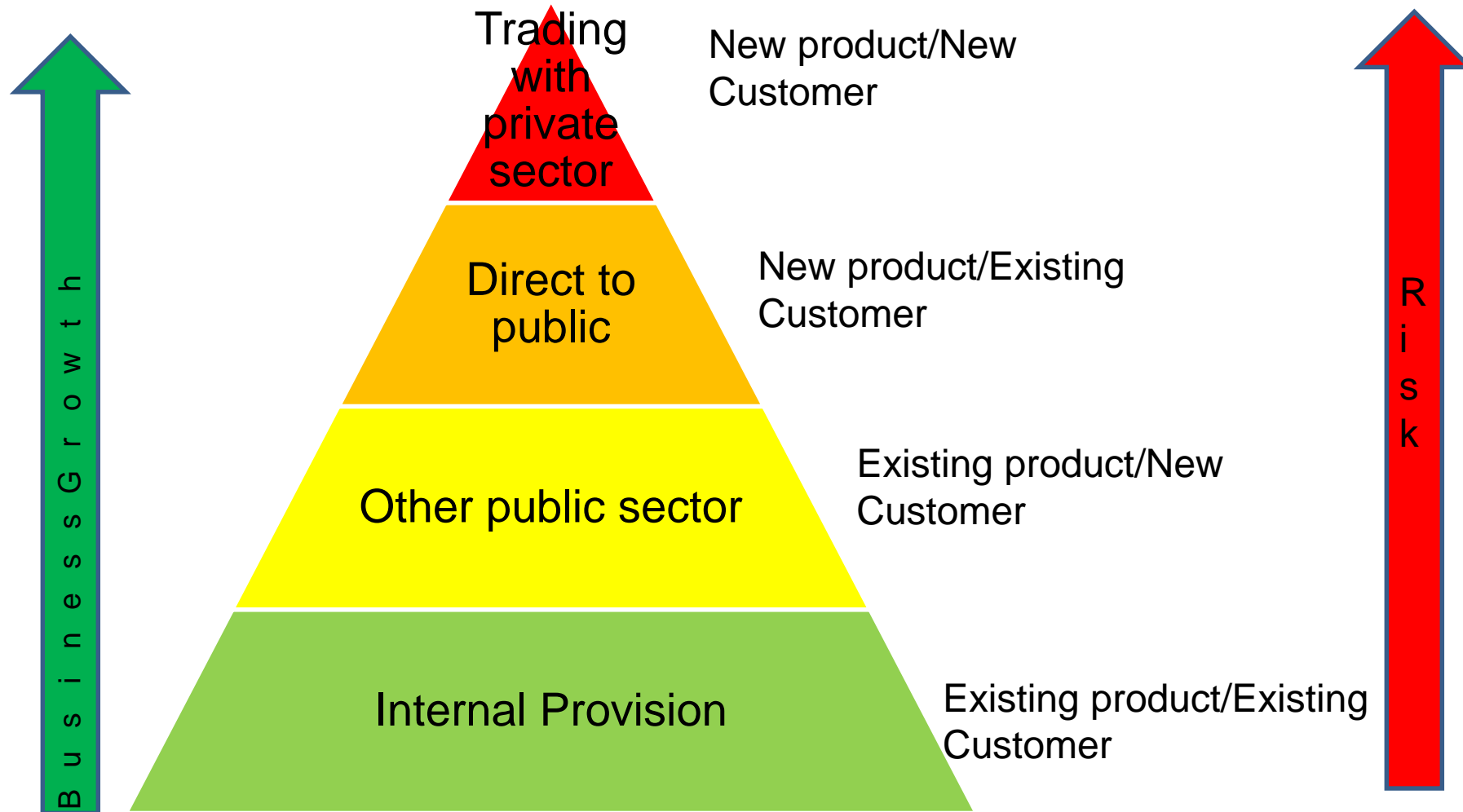
Ansoff's Matrix

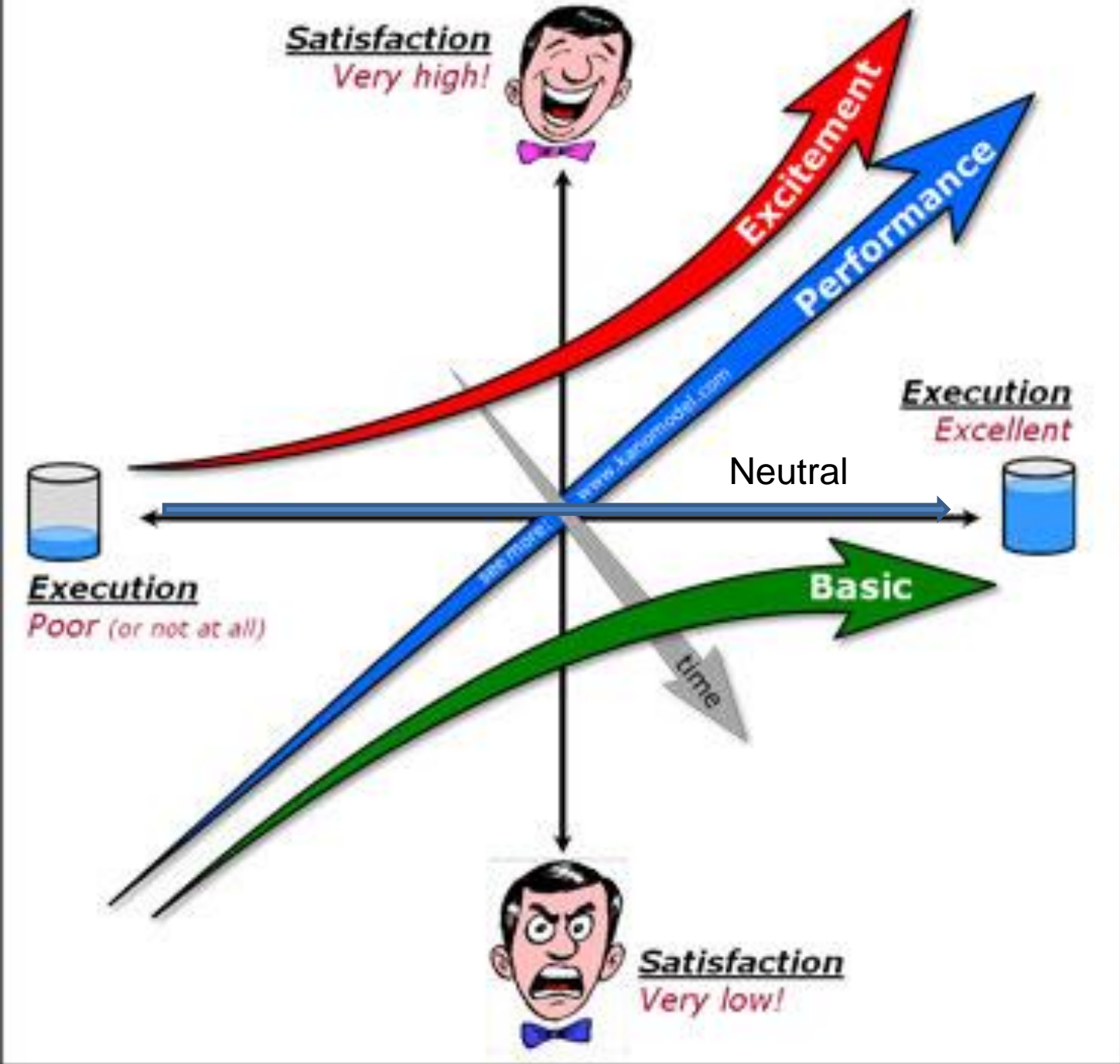


# McKinsey Growth Pyramid



# In a public sector trading environment





# Blue Ocean Strategy: Demand Innovation

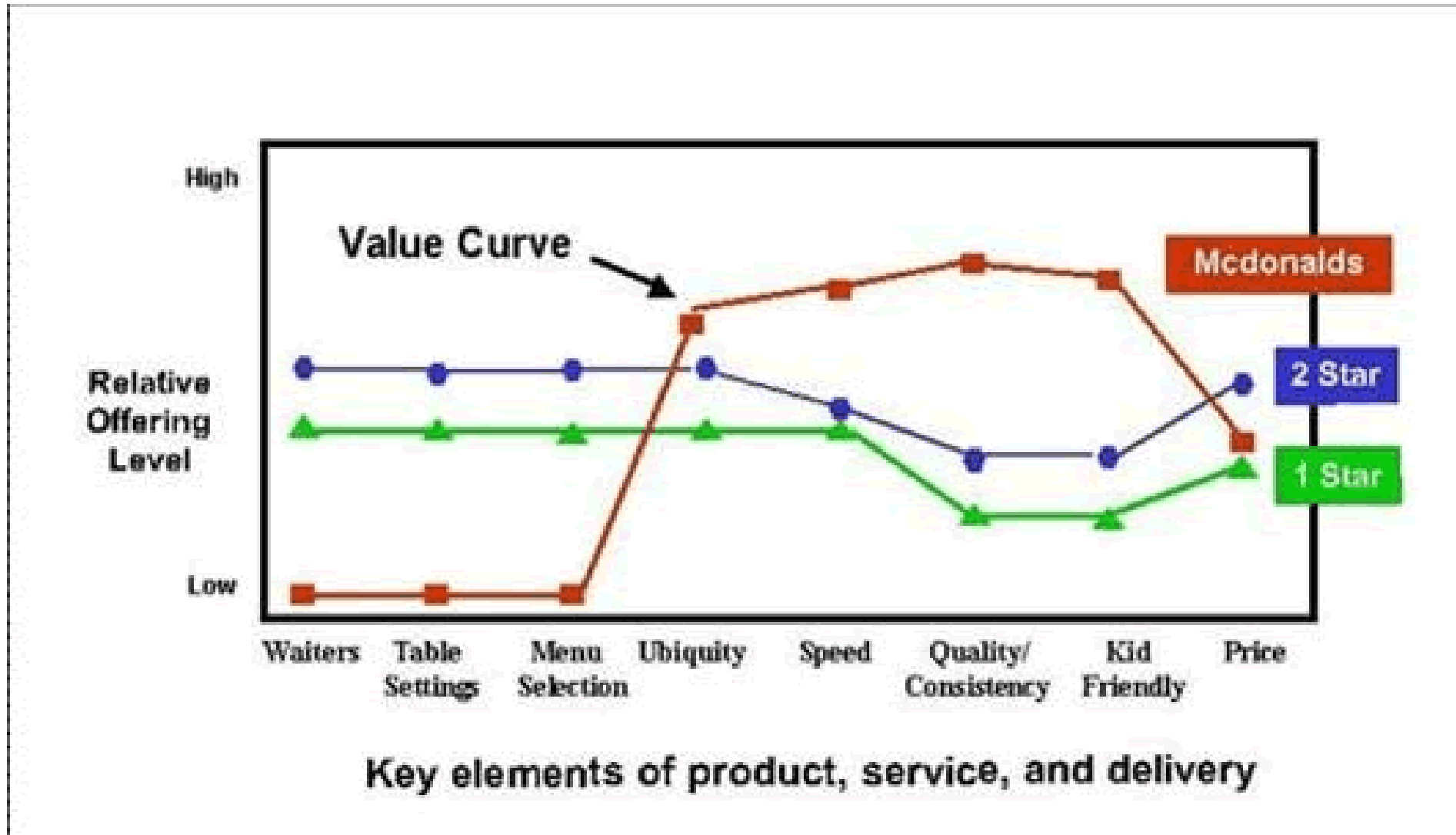




**Key principles: W Chan Kim and  
Renee Mauborgne  
Blue Ocean Strategy Unit: INSEAD**

- Value innovation
- Thinking beyond competition strategy
- Creating new demand
- Finding uncontested market space
- Avoiding commoditisation of product

# Strategy canvas: McDonalds





# 6 Path Framework



	Head to head competition	Blue Ocean Creation
Industry	Focus on industry rivals	Looks across industry boundaries
Strategic group	Focus on competitive position within strategic group	Looks across strategic groups within industry
Buyer group	Focusses on better serving the buyer group	Redefines the industry buyer group
Scope of product or service offer	Focusses on maximising the value of product within the bounds of its industry	Looks across to complimentary products and service offerings
Functional – emotional orientation	Focusses on improving price performance within existing orientation	Rethinks the functional – emotional orientation of its industry
Time	Focusses on adapting to external trends as they occur	Participates in shaping external trends over time



# Consultancy

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## Interim management requirements

**Roads & Highways, Building Maintenance, Bereavement Services, Environmental, Parks & Open Spaces, Waste, Facilities & Leisure etc.**

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