### The CFO as Business Model Strategist

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### framing our conversations



"For all of its uncertainty, we cannot flee the future."

--Barbara Jordan

## we are living in The Age of Transformation

## how is your association and its stakeholders feeling the effects of societal transformation?

"We're caught in between the structures of the future, which are still self-assembling, and the structures of the past, which are being disassembled. When it comes to getting things done, what we think we know about the how the world works is not always useful. To keep things moving, we have no choice but to unlearn."

--Beth Comstock
Vice Chair, General Electric

# this conversation is about building the structures of the future

### question orthodoxy

## orthodox beliefs are deep-seated assumptions we make about how the world works

societal transformation is happening at a time of maximum distraction

# association boards and CSEs must devote their attention to the duty of foresight

### the duty of foresight

#### BLACKBERRY BREAKDOWN

The company that led the smartphone revolution and sparked our collective mobile addiction is now a shadow of its former self.

What went wrong? Association decision makers can learn much from the answer.

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#### hard-learned lessons

the role of the CFO as business model strategist takes on added significance

### what is a business model?

a business model is the rationale of how an organization creates, delivers and captures value

## value creation value delivery value capture

non-profit is not a business model

## the business model connects an organization's commitment to purposeful action and its pursuit of a responsible level of profitability

PARTNERS	ACTIVITIES	PROPOSITIONS	RELATIONSHIPS	STAKEHOLDER SEGMENTS
	What are the most important actions your organization takes/will take to make its business model work?  KEY  RESOURCES		What type(s) of relationship(s) does your organization want (or is it willing to create) with each of its current/future stakeholder segments?	
What other individuals, groups or organizations contribute to your organization's system/network for creating and delivering value?	What are the most important financial, human, intellectual or other resources your organization needs/will need to make its business model work?	What are the most distinctive, purpose-driven forms of value your organization creates/will create for its current/future stakeholder segments?	How does/will your organization reach out/connect with its current/future stakeholder segments to build awareness of and deliver value?	Who are the current/future stakeholders your organization serves/can serve both purposefully and profitably?
What financial costs does your organization incur to operate its business model?	D.F.		D.F.	How does/will your organization generate revenue/profit from the valuit rereates and delivers to its stakeholder segments?

#### six biz model imperatives

put stakeholders first focus on value collaborate with networks simplify with technology unleash intangible assets adapt to learn

what does the phrase "CFO as business model strategist" mean to you?

work with the CSE/board presiding officer (BPO) to ensure the board has a *robust* shared understanding of how the existing business model works, its strengths and weaknesses and early warning signs of deeper problems

help the board build
its business model understanding
by using the Business Model
Canvas as a visualization tool and by
working with the board to establish a
dashboard of useful metrics to evaluate
performance on a near-real time basis

expand your own business model understanding beyond the numbers and build an empathic perspective of the *problems, needs* and outcomes of your stakeholders so you can advise the board on emerging opportunities to pivot or innovate the existing business model

participate in the board's foresight work to identify implications for the existing business model and for the design of new business model concepts

## we don't need CFOs to be value creators

the CFO as business model strategist is part educator, part advisor, part quant and part designer

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"We grow in time to trust the future for our answers."

-- Ruth Benedict

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### thanks for a great session!