

The Executive Blueprint for \$150M+ in Value Creation



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*This is not a theoretical exercise. This checklist represents the **non-negotiable blueprint** deployed in every operational engagement. It is the structured methodology utilized during **two successful business turnarounds** and the foundational engine behind achieving over **\$150 million in quantifiable value creation**. This checklist condenses operational strategy into clear, executable diagnostics.*

Proceed with rigor.

Strategic Diagnosis (Observe & Assess)

This phase requires an objective, data-driven assessment to isolate the core operational and financial inconsistencies eroding your profitability.

I. Financial Alignment, Margin Integrity, and Customer Value

- ***Fixed vs. Variable Cost Assessment***
 - ***Observation Focus:*** Identify costs that scale disproportionately to output. For instance, if a 10% increase in production volume necessitates a 15% surge in indirect support or contractor expenses, a process failure exists.
 - ***KPI to Assess: EBITDA Margin and Cost Per Unit (CPU) or Cost Per Service Delivery (CPSD).***
 - ***Sense Check:*** Confirm the metric fully integrates all forms of non-conformance (e.g., engineering rework, scrap). If these waste streams are external to the calculation, the metric is fundamentally flawed.
- ***Process Contribution Margin Analysis***

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- **Observation Focus:** Isolate "zombie processes" or product lines—those consuming significant resources (administrative, engineering, or material) while yielding marginal net contribution or high risk.



- **KPI to Assess: Gross Margin by Product/Service and SKU Count vs. Revenue Concentration.**

- **Sense Check:** Ensure Gross Margin is derived from actual run rates and labor consumption, not static standard costs. Relying on standards hides crucial operational losses.

- **Recurrent Expense Optimization**

- **Observation Focus:** Conduct a deep audit of all non-material, recurring SG&A expenses (licenses, external services). Verify usage and contract optimization.

- **KPI to Assess: SG&A as a Percentage of Revenue.**

- **Sense Check:** If SG&A consistently expands without a corresponding strategic increase in capacity or revenue, the operation lacks systemic cost control.

- **Customer Pain Point Correlation**

- **Observation Focus:** Document the top 3-5 drivers of customer dissatisfaction

(lead time variance, quality, response time). Directly correlate this external pain to internal operational metrics (e.g., internal cycle time, FPY).

- **KPI to Assess: On-Time Delivery (OTD) and First Pass Yield (FPY).**
- **Sense Check:** If OTD metrics appear high but customer complaints are frequent, your internal OTD definition is likely incorrect and must be redefined based on true customer fulfillment.

II. Organizational Structure, Accountability, and Process Health

- **Role Clarity and Functional Overlap**

- **Observation Focus:** Determine if roles and responsibilities are clearly delineated, particularly at critical handoffs (e.g., Sales-to-Engineering, Planning-to-Procurement). Ambiguity leads to friction and delay.
- **KPI to Assess: Total Direct Labor Hours vs. Standard Hours** (Labor Productivity Index).
- **Sense Check:** Persistent labor hour overruns indicate the team is busy managing disorder, not executing standard work. This gap is the cost of poor systems.

- **KPI Cascade and Performance Governance**

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- **Observation Focus:** Verify that every leader's and team's 1-3 critical KPIs directly align with the overarching EBITDA goal. Assess the performance governance model, what is the consequence for missing or exceeding targets?
- **KPI to Assess: KPI Attainment Rate** (Percentage of targets successfully achieved).
- **Sense Check:** If the Attainment Rate is consistently 100% or 0%, the targets are incorrectly calibrated, rendering the entire system useless for driving accountability or continuous improvement.
- **Process Efficiency and Systemic Flow**
 - **Observation Focus:** Review core business processes (e.g., quote-to-cash, procure-to-pay, product realization). Determine if current processes are optimized to support current goals or if they are legacy structures impeding flow.
 - **KPI to Assess: Cycle Time** (Order Entry to Shipment) and **Inventory Turns**.
 - **Sense Check:** A high Cycle Time coupled with adequate Inventory Turns suggests capital is immobilized and not flowing through the system efficiently.



Final Word & Your Next Step

The Leadership Imperative

You have successfully completed the initial diagnostic utilized by high-performance operational executives. You have moved beyond recognizing chaos to identifying its exact financial cost. This assessment has revealed the critical inconsistencies and gaps that are currently serving as the ceiling on your growth.



The strategy is now clear: **You must move from observation to disciplined execution.**

Your Two Paths to Execution Mastery

If this blueprint has exposed a mission-critical gap in your enterprise, the window for rapid, quantified value realization is now open. You have two options to close the gap and secure predictable growth:

Path 1: Master the Blueprint (Self-Paced Training)

If you prefer to empower your team to implement the system internally, the [Master of Ops Academy](#) is your guide. It contains the precise frameworks needed to build the systems that drive growth and allow your company to run on near-autopilot.

- **Action:** Learn the full methodology, including the IBOR, ALIGN, and RCB frameworks.
- **Visit the Master of Ops Academy and enroll in The Execution Engine course:** [Master of Ops Academy](#)



The Master of Ops EBITDA Acceleration Checklist

Path 2: Guaranteed Results (Hands-On Transformation)



For leaders who need immediate, guaranteed results, my **Fractional COO** services and Transformation Sprints (30, 60, or 90 days) are the fastest way to turn this diagnosis into dollars. We execute the roadmap for you.

- **The Service:** We perform a full operational assessment, establish a clear, prioritized roadmap, and provide hands-on execution support to transform your core operational gap into quantified results, increasing **customer satisfaction, profit margins, and employee engagement** along the way.

- **Inquire:** To discuss a Strategic GAP analysis and a 30, 60, or 90 day Transformation, email me directly with the subject line **"Transformation Inquiry."**

Personal Invitation

I invite you to engage directly. Please send a brief email detailing the single most urgent inefficiency you uncovered with this checklist. I review every submission personally and provide a high-leverage, immediate insight on the most effective first course of action to attack that specific problem.

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