LADIOM

BUSINESS UNDERSTANDING REVIEW - STAGE 1

A simple first step to understand what your business activity may be telling you.

Six Months. One Conversation. Better Understanding.

COMPLIMENTARY STAGE 1 REVIEW	**Professional Review Value: $499**

What We Need From You

1	**15-20 minute discovery conversation** We begin by understanding your business, your concerns, and what you would most like to understand.
2	**Six months of statements from your primary business operating account** We start with the minimum necessary information. Additional records are requested only when there is a clear reason.

What We Look For

Cash Activity Patterns in money coming in and going out, monthly changes, seasonality, and possible cash pressure.	**Recurring Commitments** Vendor payments, payroll-related activity, debt service, tax-related payments, subscriptions, and other recurring obligations where identifiable.	**Changes & Exceptions** Unusual transactions, large transfers, overdraft/NSF activity, concentrated deposits or withdrawals, and activity that needs clarification.

How Stage 1 Works

1	**DISCOVER**	Understand the owner's question and business context.
2	**REVIEW**	Analyze six months of primary operating bank activity.
3	**ASSESS**	Evaluate six LADIOM maturity dimensions using available evidence.
4	**EXPLAIN**	Present observations, maturity level, confidence, gaps, and next steps.
5	**DECIDE**	Recommend self-action, Stage 2, LADIOM engagement, or specialist support.

Your LADIOM Operations Maturity Assessment

Stage 1 produces a **preliminary** assessment of where the business appears to be on the LADIOM Operations Maturity Model. The assessment is based on the discovery conversation and the evidence available during Stage 1. It is not a certification of the organization's complete operational maturity.

LEVEL 1 - LEARN	Reactive / Discovering Reality	Do we know what is actually happening?
LEVEL 2 - ANALYZE	Visible / Understanding Patterns	Do we understand why it is happening?
LEVEL 3 - DEVELOP	Defined / Designing the Response	Have we designed how the business should respond?
LEVEL 4 - IMPLEMENT	Controlled / Putting the Design Into Practice	Are we actually doing what we designed?
LEVEL 5 - OPERATE	Disciplined / Repeatable Execution	Can the business execute consistently?
LEVEL 6 - MANAGE	Optimized / Measured and Improving	Are we continuously improving and preparing for what comes next?

Six Stage 1 Assessment Dimensions

Financial Visibility	How well management understands cash inflows, outflows, balances, and recurring commitments.
Record Discipline	How organized, consistent, and explainable core transaction records appear to be.
Operational Control	How predictable and managed recurring obligations and operating activity appear to be.
Management Awareness	How well management understands important changes and business drivers.
Decision Discipline	How consistently decisions appear to use evidence rather than only reaction or intuition.
Performance Monitoring	How consistently trends, indicators, exceptions, and results are reviewed.

How Your Result Is Reported

Current Preliminary Level: Level 2 - ANALYZE
Assessment Confidence: Moderate
Strongest Dimension: Financial Visibility
Primary Maturity Gap: Performance Monitoring
Next Target: Level 3 - DEVELOP

The example above illustrates the format only. Your actual maturity result will depend on the evidence reviewed.

Assessment Confidence

High	Evidence is clear and consistent across the information available.
Moderate	Enough evidence exists for a preliminary level, but some areas need confirmation.
Low	The result depends substantially on incomplete or unverified information.
Insufficient Evidence	No overall maturity level is assigned.

What You Receive

Business Activity Snapshot	A high-level view of the six-month period reviewed.
What We Observed	Important patterns and notable activity visible in the available records.
Maturity Assessment	Preliminary maturity level, confidence rating, strongest dimension, and primary maturity gap.
What This May Mean	Clearly identified preliminary interpretations - not assumptions presented as facts.
Recommended Next Stage	What would be required to advance toward the next LADIOM maturity level.
Recommended Next Steps	Actions you may take yourself, areas requiring Stage 2, or specialist support where appropriate.

When Stage 2 May Be Recommended

Stage 2 is not automatic. It is recommended only when additional evidence is needed to validate the preliminary maturity assessment, understand a specific maturity gap, or investigate an issue identified during Stage 1. Examples may include P&L;, Balance Sheet, payroll, A/R, A/P, tax, inventory, loan, or other targeted records.

Important Review Boundary

Business Understanding Review - Stage 1 is a preliminary diagnostic review. It is not an audit, tax return, certified financial statement, complete accounting review, determination of net profit, determination of full tax liability, or certification of the organization's complete operational maturity.

Bank deposit	Not automatically treated as revenue
Bank withdrawal	Not automatically treated as an expense
Unclear transaction	Treated as a question until clarified
Maturity level	Assigned only when observable evidence substantially supports the level
Additional records	Requested only when justified by Stage 1 findings or maturity gaps

Confidentiality & Responsible Handling

LADIOM follows a minimum-information approach. We request only information needed for the review, limit access to those involved in the review, and do not share client records with unrelated third parties. Please do not send bank statements through a public website form; secure transfer instructions should be provided separately.

Ready to begin?
Request your complimentary Business Understanding Review - Stage 1 at ladiom.com/business-understanding-review

LEARN -> ANALYZE -> DEVELOP -> IMPLEMENT -> OPERATE -> MANAGE
Observe -> Question -> Understand -> Investigate -> Act